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EC and U.S. See Progress On Trade but No Deal Yet

Tough Farm Issue Yields To Negotiations, but Other Obstacles Remain

By Tom Bruekle

BRUSSELS — The United States and the European Community claimed significant progress in two days of trade talks that ended here Thursday and said they reached an outline agreement on agriculture, their toughest dispute. But they failed to produce a breakthrough that could guarantee a global trade accord in two weeks.

"We have an agreed-upon approach to all major issues that would pave the way to completion of a substantive and comprehensive Uruguay Round," said Mickey Kantor, the U.S. trade representative.

But Mr. Kantor said three or four major areas of disagreement remained, including European demands to protect Europe's movie and television industry and America's insistence on retaining tough trade retaliatory weapons like anti-dumping duties.

In addition, both sides said many difficult details had to be resolved even in areas where they achieved an outline settlement. Negotiators will work intensively over the next three days, and Mr. Kantor will return to Brussels on Monday in a final bid to reach a deal with his EC counterpart, Sir Leon Brittan.

"I think we are certainly closer to a Uruguay Round agreement than we were two days ago," Mr. Kantor said. He cautioned, however, that there was "a hard weekend of work ahead" and that reaching an agreement by Monday "will not be easy."

"I did not expect to make as much progress as we have done yesterday and today," Sir Leon said. But he added, "I can't guarantee that you will reach an agreement."

The biggest hopes raised by officials here involved the biggest area of U.S.-EC dispute: agriculture. Officials indicated that they had agreed on the basis of a trade-off whereby the United States would allow some exemptions in the Blair House accord limiting farm export subsidies, as France has demanded, in return for Europe's willingness to allow greater imports of farm goods to its market.

Rene Steichen, the EC farm commissioner, said Europe's goal for 1994 was to reach a deal — which includes a major concession in the form of subsidy cuts, a concession from the cuts of huge EC inventories and a commitment by the United States not to attack EC farm programs in the future — "have been positively received."

Mike Espy, the U.S. agriculture secretary, said the outline agreement would "address the major concerns" of the Community "while preserving the integrity of the Blair House agreement." He said it offered farmers in America and the Cairns group of agricultural exporters significant new access to the European market for grain, meat, dairy products and specialty farm goods.

"I am very, very optimistic about the outcome of the discussions on agriculture," he said.

Mr. Kantor indicated that the package See GATT, Page 3



Pehr Gyllenhammar leaving a press conference after his resignation as Volvo's chairman in the wake of the Renault merger collapse.

Auto Industry's Unity Plans Hit a Bump

By Jacques Neher

PARIS — The need for European industry to consolidate to compete in the global market took a back seat to nationalism Thursday with the collapse of the proposed automotive merger between Renault SA and Volvo AB.

While the French and Swedish carmakers are likely to manage alone in the short term, the longer-term outlook appeared shaky for Volvo's car business and Renault's truck activities.

The result in Sweden against the merger proposal, and the conditions imposed by

France that many said were largely responsible for that revolt, were emblematic of the problems that European companies in many industries will face as they try to join forces in the years ahead.

"This is a lesson on how much economic nationalism still exists in Europe, and how it governs how industry organizes itself," said John Lawson, automotive analyst with DRI/McGraw-Hill in London. "Other companies will be pretty careful before they open this sort of box again."

Dooming the project from the beginning,

some say, was the fact that one of the partners, Renault, belonged to the French government. Even though the government had promised to privatize the company next year, its insistence on retaining a so-called golden share after privatization seemed to say to many Swedes that France was attempting to take control of part of their heritage.

"The golden share would have put me off, too," said Meschai Vavrovsky, a specialist on international mergers and professor at the Interna-

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Colombia Drug Lord Dies in Shoot-Out

Compiled by Our Staff From Dispatches

BOGOTA — Colombian security forces killed the drug lord Pablo Escobar Gaviria in the northwestern city of Medellin on Thursday, ending a 16-month hunt for one of the most wanted men in the world. Mr. Escobar, boss of the Medellin cocaine ring, was killed Thursday afternoon in a shoot-out at a shopping mall as the police tried to arrest him, police sources said.

Mr. Escobar, who turned 44 Wednesday, was wanted in the United States and Colombia for drug trafficking and terrorism. He had a price of more than \$6 million on his head.

He has been blamed for the deaths of hundreds of people — including presidential candidates, judges, a newspaper publisher and police officers — in a series of assassinations and car bombings.

The prosecutor-general, Gustavo de Greiff, called the killing "excellent for the country, a demonstration that crime does not pay."

Senator Andrés Pastrana said: "Escobar ended up being a symbol of violence and narco-terrorism. Now the country can begin to live more peacefully."

Radio reports said Mr. Escobar had been killed along with a second man and that more than 500 police and army officers had cordoned off the area, in the western part of the city.

The killing of Mr. Escobar was the government's biggest single blow against the drug trade since a fierce war between traffickers and the government erupted in 1984.

Mr. Escobar had been on the run since escaping from a Colombian prison in July 1992.

The drug lord's wife and two children fled to Germany on Saturday in an unsuccessful attempt to seek asylum. They then returned to Colombia and were staying in a luxury hotel in Bogotá under army protection. (Reuters, AP)

'Anti-Foreigner' Revolt at Volvo Scuttles Merger

By Richard W. Stevenson

LONDON — Faced with mounting opposition from shareholders and a revolt from its own management, Volvo AB of Sweden abandoned its effort on Thursday to conclude a planned merger with Renault SA of France, prompting the immediate resignation of Volvo's chairman and throwing the future of the two big carmakers into disarray.

In a move apparently engineered by Soren Gyll, the Swedish company's No. 2 executive, Volvo's board canceled a meeting scheduled for Tuesday at which shareholders were to have voted on the merger with Renault, which was supposed to take effect Jan. 1.

A number of Volvo's largest shareholders had said publicly in recent days that they would oppose the merger, and the plan seemed increasingly likely to be rejected.

[Volvo's American Depository Receipts jumped by \$2.875, to \$53.375, in New York in a sign of volatility. Bloomberg reported from New York. Markets in Europe were closed by the time of the announcement.]

The last straw for the board came Thursday when Mr. Gyll, at a hastily assembled meeting in Stockholm, made clear that many of Volvo's top executives favored backing out, despite the continuing strong support for the deal from Pehr Gyllenhammar, the chairman, who led Volvo for more than two decades and had long sought to push Volvo toward integration with a European partner.

Volvo did not say whether it would reopen negotiations with Renault, or what would happen to the existing alliance between the companies, which includes cross-ownership of stock and joint purchasing and product development efforts.

But relations between the companies have clearly been left in tatters.

In a statement, Renault said it "deplores" Volvo's action and defended the deal as fair. Renault said its alliance with Volvo remained in force, but that it would evaluate the situation and take any steps necessary to guarantee its interests.

In a sign of the deep divisions within Volvo over the matter, four other board members in addition to Mr. Gyllenhammar resigned after the meeting.

The events on Thursday marked a precipitous fall for the 58-year-old Mr. Gyllenhammar, Sweden's highest profile executive — he is known simply as P.G. — and its most highly paid — he earned about \$1.3 million last year.

Mr. Gyll, Volvo's managing director, had previously given no public indication that he opposed the merger. But Mr. Gyll ultimately sided with the rebellious shareholders and an influential contingent of the French government's plans to privatize Renault and France's insistence on retaining a "golden share" that in their view could effectively guarantee French control of the merged enterprise.

But analysts said that the root of the problem may have been much more general: a wide-

See VOLVO, Page 13

Air-Fare War Is Set Off By Lufthansa

Bloomberg Business News

PARIS — Lufthansa AG started an air-fare war within Europe Thursday that analysts said was reminiscent of a U.S. half-price fare battle last year that plunged the U.S. airline industry deeply into the red.

Lufthansa said it would slash fares by an average of 50 percent for travel throughout Europe, a move that drew rapid responses from KLM Royal Dutch Airlines, Scandinavian Airlines System and British Airways.

British Airways at first said it would match Lufthansa's cuts but later said that for trips from Germany to Britain, it would slash fares to levels considerably below those offered by the German carrier. BA offered 299 Deutsche mark (\$175) round trip fares between half a dozen German cities and Britain, for example.

Analysts said the cuts could unleash damage of a sort approaching that seen in the United States in 1992.

"This could deepen some already relatively deep wounds," said Ed Scerbo, director of information services at the airline consulting firm Aviatas Inc. in Washington. But Mr. Scerbo said that the European fare war was not as heated as the U.S. one last year because it did not involve all routes in Europe.

SAS is cutting fares by 50 percent from its own Scandinavian market into other European destinations and from Germany into Scandinavia, while KLM is offering lower fares to many European destinations.

Among other carriers, Air France said it would match Lufthansa's fares from Germany to France, but would not match the fares for passengers originating in France.

Swissair and Alitalia said they did not intend to match fare cuts immediately, while Iberia said it already had winter promotions and did not plan to match the new cuts.

All the cut-price fares announced Thursday are applicable for travel between Dec. 27 and March 27 and must be booked by Dec. 31.

A spokesman for Lufthansa, Gerd Leidiger, said: "January, February and March are not the strongest months of the year, so we have to stimulate traffic."

The airline ran a similar promotion last winter, and it bolstered passenger traffic, he added, without giving figures.



SETTLERS MOURN — The brother of a shooting victim in his funeral procession Thursday in the West Bank. Israel played down a deadline in PLO talks. Page 2

Klosk Shuttle Crew Reports 'A Beautiful Sunrise'

CAPE CANAVERAL, Florida (AP) — The space shuttle Endeavour, with seven astronauts aboard, roared into orbit Thursday on a mission to repair the Hubble Space Telescope.

"It's a beautiful sunrise," Commander Richard Covey radioed back moments after reaching orbit.

The critical repair mission has scheduled more spacewalks than any American mission to date — five, maybe more.

The first attempt to launch Endeavour was thwarted Wednesday by high wind.

Patten to Submit Bill

In a move that China said would "mean the breakdown" of negotiations over Hong Kong, Governor Chris Patten on Thursday announced that he would submit some democratic reforms to the colony's Legislative Council without Beijing's approval. But Britain's foreign secretary, Douglas Hurd, held out hopes for more talks with China. (Page 2)

Asia's Next Boom: An AIDS Explosion

Surge of Cases Threatens to Brake Developing Economies

By William Branigan

WASHINGTON POST SERVICE

BANGKOK — Although the AIDS virus took root in Asia well after it did in Africa, the annual number of new HIV infections in Asia is expected to surpass those in Africa in the next couple of years. By 2000, Asia is projected to account for more than half the world's total of HIV infections, according to the Asian Development Bank, threatening to devastate some of the region's booming economies.

Currently, the World Health Organization estimates that more than 14 million people worldwide are infected with HIV, the human immunodeficiency virus that causes AIDS. By the end of the century, WHO projects 30 million to 40 million infections, but other forecasts put the figure as high as 120 million, depending largely on the course of the disease in Asia.

"Most of Asia unfortunately is still either asleep or in the early stages of denial, or worse than that, blatantly lying about HIV infections," said Meschai Vavrovsky, an AIDS-prevention and family-planning activist credited with promoting Thailand's relatively candid

approach to the issue. "All of this undermines the future chances of trying to rectify the situation. Time and lives are being lost."

In the nine years since the AIDS virus first appeared in Thailand, this country has developed one of the world's highest infection rates, propelling what experts describe as the rapid shift of the disease's center of gravity from Africa to Asia.

The spread of the virus in Thailand is exemplary of its spread throughout Asia. Despite the most aggressive campaign in Asia against AIDS, this country of 59 million appears to be fighting a losing battle, facing the prospect of an economic and social catastrophe brought on by the disease, health experts say. The HIV infection rate in Thailand is already more than three times that in the United States, and it is exploding through the heterosexual population.

A combination of new strains of HIV, heavy intravenous drug use, a flourishing commercial sex industry and entrenched high-risk behavior by Thai males has created a virtual AIDS greenhouse here.

"It is expected that the HIV/AIDS epidemic

in Thailand will continue to expand, with heterosexual intercourse being the most important mode of transmission," a Health Ministry report said. "By the end of the century, mortality due to AIDS could become the leading cause of death in Thailand."

"I think it will be impossible for us to control AIDS," said Debbanom Muangman, a leading Thai expert on the disease and a member of the country's National AIDS Committee.

More than 600,000 Thais — more than 1 percent of the population — are estimated to be infected with HIV, Mr. Debbanom said.

Adding to the grim picture are sex tourism here and the exporting of prostitutes; rampant corruption and the involvement of organized crime and foreign pedophiles, and widespread child prostitution.

Helping spread the disease into the family is the continuing tendency of philandering Thai men to frequent prostitutes. The practice recently prompted two AIDS researchers, in a letter to a Bangkok newspaper, to remark that "for Thai women, the most important risk factor for HIV infection is marriage."

They're Not Beating Their Chests Over This Local Hero

By Lee Hockstader

LVOV, Ukraine — Just under the skin of this gorgeous East European city lurks a secret so painful, so nearly excruciating, that it is practically... delicious.

It is not to be found in any of the four universities, nor in the splendid skyline of Gothic, Baroque, Renaissance and neoclassical architecture, nor in any of the usual textbooks about Lvov's varied history under Austro-Hungarian, Polish, Nazi, Soviet and now Ukrainian rule.

No, Lvov's greatest claim to international fame may be as the 19th-century birthplace of one Leopold von Sacher-Masoch — known to the world as the inspiration for the word "masochism."

Trouble is, Lvovites are not exactly lining up to claim him. In fact, in the 47 years of Soviet rule here, the fact that Sacher-Masoch was born in Lvov was nearly swept under the historical rug.

As the Communist cobwebs clear, most people in predominantly Catholic Lvov (pronounced "le-VEEW") appear slightly horrified to learn that their graceful city gave birth to such a world-class nonconformist.

"I wouldn't consider him Lvov's most famous son," said

Sonya Soutus, press director for the Ukrainian Catholic Church, sounding astonished to learn that Sacher-Masoch was born and reared here.

What would the church think if Lvov were to name, say, a street after Sacher-Masoch?

"I think, probably, we're against it," she said, stifling a giggle. "Although no comment, officially."

Undeterred, a tiny group of artists and counterculture types is doing its best to resurrect Sacher-Masoch's name. So far, it has been slow going.

"He was neither a hero of the Soviet Union nor a hero of Ukrainian nationalism," said Igor Podolchak, a 32-year-old artist who leads the group. "There's no memorial, no statue, not even a plaque on a wall."

But Mr. Podolchak said that Sacher-Masoch was not a major figure in world culture to merit some attention.

Born in 1836 in a brownstone on a pretty cobblestone street, Sacher-Masoch was the son of the local police chief. The family lived in Lvov (then called Lemberg and part of the Austro-Hungarian Empire) until the young Sacher-Masoch was 14, then moved to Graz, in present-day Austria.

There he married, fathered children, taught history and wrote a large number of novels and stories in German exploring

his peculiar obsession. His most celebrated book, "Venus in Furs," published in 1869, chronicled a rather unorthodox relationship and inspired a following that lasts even today.

The Daily Telegraph in London recently described the book as a "bondage bible" and described its plot as "sort of boy meets girl, girl whips boy... then boy loses girl, girl loses whip and boy gets girl back."

For this literary achievement, Sacher-Masoch was decorated in France and lauded in literary salons in Europe and America.

Richard von Krafft-Ebing, a 19th-century sexologist and contemporary of Sacher-Masoch's who documented hundreds of sexual aberrations in his book "Psychopathia Sexualis," coined the term "masochism" at the height of Sacher-Masoch's fame. This coinage is said to have upset the author, who thought he had gotten a bad rap when he discovered his name had been made into a sexual aberration.

Although Sacher-Masoch, who died in 1895, is largely forgotten in Lvov, Mr. Podolchak and his group are trying to change that. They have given their strictly unofficial association the august-sounding title of the International Masoch

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Newsstand Prices	
Andorra.....9.00 FF	Luxembourg 60 L. Fr
Antilles.....11.20 FF	Morocco.....12 Dh
Cameroun.....700 CFA	Qatar.....8.00 Riels
Egypt.....E.P. 5000	Réunion.....11.20 FF
France.....9.00 FF	Saudi Arabia.....9.00 R.
Gabon.....480 CFA	Senegal.....480 CFA
Greece.....280 Dr.	Spain.....200 Ptas
Ivory Coast.....500 CFA	Tunisia.....T.L. 10,000
Jordan.....1 JD	Turkey.....L. 5.50 Dirh
Lebanon.....US\$ 1.50	U.A.E.....5.50 Dirh
	U.S. Mil. (Eur.) \$1.10

Dow Jones		Trib Index	
Up	5.03	Up	0.40%
	3,702.11		107.27
The Dollar		Euro, close	
New York	1.7225	Paris, close	1.7228
London	1.4838	Frankfurt	1.478
Yen	108.80	Yen	108.80
FF	5.9385	FF	5.945

Nuclear Agency Sounds an Alarm Over North Korea

By David E. Sanger
New York Times Service

TOKYO — The head of the International Atomic Energy Agency declared Thursday for the first time that there was no longer any "meaningful assurance" that North Korea was using its nuclear materials for solely for peaceful purposes.

The statement added pressure on the Clinton administration to reach a diplomatic accord with the North in the next several weeks or move to economic sanctions.

In a carefully worded assessment at the opening of a meeting of the agency's board of governors in Vienna, Hans Blix, the IAEA director-general, stopped just short of saying that the inspection process had totally broken down because of the North's refusal to allow regular inspections of the facilities.

But his aides made it clear that he was ready to make such a declaration by the end of the month, a step that officials in Washington and Seoul have said would trigger a gradual imposition of sanctions.

Mr. Blix's comments came as Pyongyang denounced the Clinton administration and the director of central intelligence, R. James Woolsey, for trying "to push the situation on the Korean Peninsula to the brink of war."

The North Korean statement apparently came in response to Mr. Woolsey's comments earlier this week that Pyongyang might not be bluffing when it says it

down the rhetoric. But at the same time he has asked Defense Secretary Les Aspin and General John M. Shalikashvili, chairman of the Joint Chiefs of Staff, to lay out options for beefing up U.S. and South Korean forces in case North Korea lashes out in response to sanctions.

Energy agency officials have said in recent days that Mr. Blix, under some pressure from Washington, Tokyo and Seoul, is postponing a formal declaration that the agency can no longer track nuclear material in North Korea. The delay is intended to give the U.S. administration a few more weeks to seek a diplomatic solution to the impasse.

"We are really walking the precipice," an agency official said. "We want to give the political process one more chance, though."

On Wednesday, a North Korean deputy minister of foreign affairs, Kang Sok Ju, sent a message to Mr. Blix assuring him that North Korea had "totally frozen the movement of nuclear material" some time ago, and that "the inspection cameras and seals of the IAEA remain on the nuclear facilities."

Still, there were concerns both outside and inside the IAEA that the agency, which is supposed to base its judgments solely on the evidence it has about the disposition of nuclear materials, was twisting its conclusions to fit the political necessities of the negotiations.

In the message, Mr. Kang offered to allow inspectors to visit North Korea for the limited purpose of installing new batteries and film in surveillance cameras.

Mr. Blix rejected a similar proposal a month ago, saying that the inspectors must have the freedom to roam and seek evidence of diversions of nuclear material to weapons projects.

Virtually all of the cameras and other surveillance equipment installed at the nuclear site at Yongbyon, 100 kilometers (60 miles) north of Pyongyang, have now run out of film and battery power, making it possible for North Korea to slip material past the camera locations.

Mr. Blix said he was "bound to conclude that the safeguards system which was in place on declared nuclear material and installations" in North Korea "cannot be said to provide any meaningful assurance of peaceful use of these installations and this material."

The energy agency chief was clearly trying to steer clear of language that could scuttle talks between the United States and North Korea.

Still, there were concerns both outside and inside the IAEA that the agency, which is supposed to base its judgments solely on the evidence it has about the disposition of nuclear materials, was twisting its conclusions to fit the political necessities of the negotiations.

"The IAEA is being asked to sacrifice its credibility to give time to bring North Korea around," said Gary Milhollin, director of the Wisconsin Project on Nuclear Arms Control. "The IAEA's job is to sound an alarm when they can no longer perform their inspection duties. They are supposed to alert the world that nuclear material may be going astray."

But as Washington talks about the costs of sanctions and the latest assessments of North Korea's nuclear and conventional threat, two other major players in the negotiations, Japan and South Korea, are avoiding discussion of what would happen if current negotiations fail.

In Tokyo and Seoul, newspapers are saying relatively little about the nuclear standoff, finding a bigger threat to national security in demands at the trade talks in Geneva that they open their markets to rice from foreign countries.

"Washington is taking a more alarmist view of the nuclear problem than we are," a senior Japanese diplomat said Thursday.

A senior South Korean official acknowledged that his country was attempting to lower the political heat so that North Korea does not feel trapped.

"We were concerned that the North could use this debate in Washington as an excuse to end our discussions, or even to lash out," he said. "So we are trying to get some more time."

WORLD BRIEFS

Militants Kill Spaniard, Algeria Says

ALGIERS (AP) — A Spaniard became the eighth foreigner to be killed in Algeria since September in what the government called an attack by an Islamic terrorist group, officials said Thursday.

It was the first reported attack on a foreigner since a threat by the Armed Islamic Group pledging "sudden death" for non-Algerians, meaning Westerners, who did not leave the country by midnight Tuesday.

Officials said Manuel Lopez Bailen was killed either Wednesday or Thursday about 100 kilometers (60 miles) south of Algiers while with two Algerian couples. They were traveling in his personal car, which had Spanish license plates. Two French surveyors were murdered on Sept. 23.

EC Tightens Sanctions on Nigeria

LONDON (Reuters) — The European Community is imposing new sanctions on Nigeria's military rulers because of their refusal to return the country to civilian rule, the British government said Thursday.

Alastair Goodlad, Foreign Office minister of state, told Parliament that the sanctions could be tightened further if General Sani Abacha, who took power last month, failed to make progress toward democracy.

He said defense officials at the Nigerian Embassy would now need permission to travel outside London and four Nigerian military students in Britain would be asked to leave. New export applications for military equipment would be reviewed on a case-by-case basis "with the presumption of denial," he added. Mr. Goodlad said Britain's EC partners would take similar measures.

Scrap N-Arms, NATO Tells Ukraine

BRUSSELS (Reuters) — NATO foreign ministers threatened Thursday to exclude Ukraine from cooperation if it refused to give up nuclear arms. But they agreed to leave the door open for new members in the longer term once East Europeans have closer military ties with the West.

Under strong pressure from Russia not to expand NATO and despite complaints from Eastern nations that are not being let in, the ministers, meeting in Brussels, agreed instead to increase links with all the former Warsaw Pact members, including Russia.

But they agreed that Ukraine, which has failed to fulfill a promise to get rid of the former Soviet Union's long-range nuclear missiles on its soil, would not be eligible until it promised to become a nonnuclear state.

Effort to Gag Yeltsin's Rivals Fails

MOSCOW (AP) — The election commission ruled Thursday that all political parties, including the Communists, are free to criticize President Boris N. Yeltsin's draft constitution and will not be banned from the Dec. 12 elections.

Mr. Yeltsin had threatened to deprive critics of his draft constitution of free broadcast time for campaigning, and a first deputy prime minister, Vladimir F. Shmeiko, who is in charge of organizing the referendum, then asked the election commission to ban parties who spoke out against the document.

Aidid, in Shift, to Go to Peace Talks

ADDIS ABABA (Combined Dispatches) — Somalia's top militia leader, Mohammed Farrah Aidid, has changed his mind and will attend peace talks in Addis Ababa, Ethiopian officials said Thursday.

An Ethiopian minister said General Aidid, who earlier had rejected going because he feared his life would be at risk, would arrive in Addis Ababa with an envoy from the Ethiopian president. (Reuters, AFP)

Flawed Gene Linked to Colon Cancer

BOSTON (AP) — Scientists have tracked down a flawed gene that causes about 10 percent of all colon cancer, one of the most common inherited disorders, and say it should quickly lead to the first broadly used genetic screening test. The vast majority of those detected with the flaw should be spared death from this cause, one of the scientists says.

Unlike many basic scientific discoveries, doctors believe this one will have almost immediate practical applications. They say that within a few months, two years at most, there will be a simple blood test to detect those with the defective gene so they can be watched for signs of cancer. Colon cancer is easily stopped if found soon enough.

One of the discoverers, Dr. Bert Vogelstein of Johns Hopkins University, said the test should probably be taken by anyone with a close relative who has ever suffered colon or uterine cancer. "That's millions and millions of people," he said.

For the Record

Prime Minister Jean Chretien of Canada said Thursday that his government would soon take the last legal step to enact the North American Free Trade Agreement, removing the final obstacle to the accord's scheduled implementation date of Jan. 1. (WP)

Allegations of fraud and kickbacks at the National Aeronautics and Space Administration are being investigated by the Justice Department, U.S. law enforcement officials said Thursday. (Reuters)

The governor of Saint Kitts declared a state of emergency Thursday for 21 days after police broke up a demonstration by hundreds of Labor Party supporters demanding new elections. All businesses and government offices in the capital, Basseterre, were closed and the police reported looting. (AP)

French Pilot Suspended For Cutting Jet's Power

PARIS — An Air Inter jetliner with 150 passengers on board dropped 1,600 meters near Paris in October after the pilot turned the engines off twice in less than two minutes, a company spokeswoman said Thursday.

The twin-engine Airbus A-320, bound from Paris for the Roman Catholic shrine city of Lourdes in southwestern France, fell 3,200 feet, from an altitude of 1,500 meters to 500 meters, just after takeoff from Orly Airport before the crew regained control, she said.

A separate statement from Air Inter, the state-owned French domestic airline, confirmed a earlier radio report about the Oct. 22 incident and said the pilot was suspended.

The statement said investigations had been opened by the company and by civil aviation authorities.

France-Info radio said earlier that the captain on both engines by mistake after realizing the plane's landing gear was still lowered. The plane glided down and both engines were restarted, but the captain again cut them off, the radio report said.

It said that the pilots managed to start the engines once again and that the plane returned to Orly. The captain reportedly wanted to take off again for Lourdes but was immediately suspended.

One of the passengers, Henri Tinay, religious affairs correspondent for the newspaper *Le Monde*, told France-Info that there was no panic among passengers and that they were not told about the incident until their return to Orly.

TRAVEL UPDATE

Britain's Beaches Improve, Slightly

LONDON (Reuters) — A fifth of Britain's beaches fail to meet European Community standards for bathing water quality, but Environment Minister Tim Yeo said Britain's record was improving, with 80 percent of 457 beaches monitored last summer meeting the EC's bacteria standards, up from 79 percent in 1992 and 76 percent in 1991.

"This slow but steady increase is a satisfying indication that the works being undertaken to improve bathing water quality are having the desired effect," Mr. Yeo said in a written parliamentary answer. "Some waters which invariably failed in previous seasons are now up to standard."

The Ugandan government has waived visa requirements for visitors from 32 countries in a bid to attract more tourists. The new regulations apply to visitors from all European Community and Scandinavian countries, the United States, most Middle Eastern nations, several Far Eastern countries, Australia and New Zealand. (AP)

A total of 118 accidents and 34 injuries were recorded Thursday morning in Schleswig-Holstein, Germany's northernmost state. All schoolchildren were told to stay home as freezing rain swept across the region. A police spokesman said the Hamburg-Flensburg superhighway had to be closed for an hour. (Reuters)

Railway engineers in northern Paris suburbs stayed away from work on Thursday to press demands for improved safety conditions. Their action came a day after an accident in the northern suburbs killed four people, including an engineer. (Reuters)

Air Inter canceled 15 of 300 flights within France on Thursday, and several others were delayed because of a surprise strike over union demands on the government to scrap plans for allowing more competition for foreign companies. The airline canceled flights to Nice, Marseille, Bordeaux, Biarritz and Mulhouse. (Reuters)

Israel Asks Patience On Self-Rule's Start Better to Be Clear, Rabin Says

Compiled by Our Staff From Dispatches

LONDON — Prime Minister Yitzhak Rabin urged patience Thursday on those pressing for a Dec. 13 start to limited Palestinian self-rule, saying they would not have to wait many weeks more for a lasting agreement.

"It is much more important," Mr. Rabin said, to get a clear agreement than to complete it by a certain date.

"If a week or two more will be needed, it's better to have a clear agreement and then to implement it," he said.

Mr. Rabin condemned both Palestinian and Israeli extremists who have sought to derail the peace process. But he said that Islamic militants had been the first to try to sabotage the autonomy agreement.

Earlier, in Bonn, Mr. Rabin denied an Israeli press report that he and the chairman of the Palestine Liberation Organization, Yasser Arafat, had agreed to delay carrying out the first phase of the accord.

But he conceded that starting a four-month implementation period by Dec. 13 was currently looking "difficult."

Mr. Rabin asserted that it was not so serious if the two-month

negotiating period provided for under the Sept. 13 accord was extended.

"We have to look at this as one unit," Mr. Rabin said, "and not worry if there are an additional two weeks or three weeks for the first phase."

The clearer the agreement will be, the easier and the quicker will be its implementation," he said.

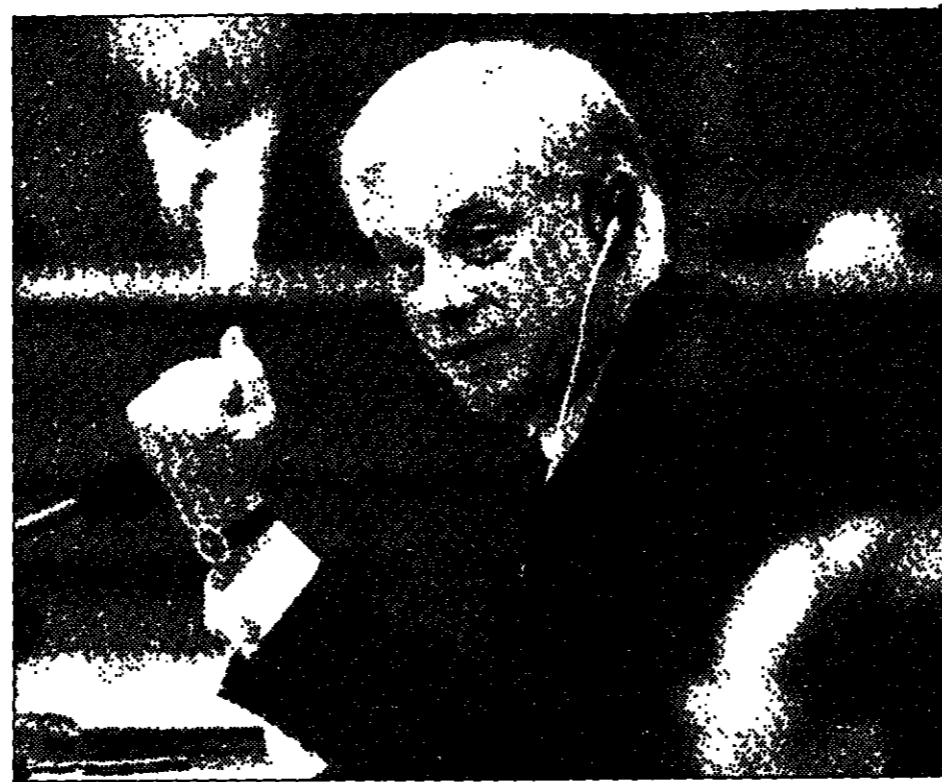
In the occupied territories, hundreds of Jewish settlers set up barricades and snarled traffic throughout the West Bank on Thursday to protest the killings of two Israelis by Palestinian gunmen.

Israeli troops did not intervene in the protests.

The army, meanwhile, began to carry out an understanding with PLO leaders to reduce its presence in the occupied Gaza Strip and halt its battle with the Fatah Hawks, a group of young militants in Yasser Arafat's mainstream organization, El Fatah, Israeli and Palestinian officials said.

The weekend killing of a Fatah Hawk by undercover Israeli troops set off the worst rioting in the Gaza Strip since Israel and the Palestine Liberation Organization signed the peace accord on Sept. 13.

(Reuters, AFP, AP)



Mr. Patten addressing lawmakers Thursday: "We now have no choice but to begin legislating."

Patten Opts To Bypass China and Draws Ire

By Paul Blustein
Washington Post Service

BEIJING — China and Britain escalated their confrontation over the future of Hong Kong on Thursday as the colony's governor, Chris Patten, announced that he would proceed unilaterally with democratic changes and Beijing declared that the decision would "mean the breakdown" of negotiations.

The development marked a potentially serious heightening in tension between the two sides over the issue of how extensively Hong Kong is to be democratized before its reversion to Chinese rule in 1997.

Britain's foreign secretary, Douglas Hurd, held out hopes for more talks with China, Reuters reported from Brussels. He said Britain had hoped Mr. Patten's proposed steps "would be uncontroversial."

"Unfortunately, they were not," Mr. Hurd said. "But we hope that it will be possible to continue discussions with China on the other matters."

Mr. Patten's decision to introduce a portion of his political legislation in Hong Kong's parliament, the Legislative Council, presented China with a clear challenge, although he softened the blow by withholding more contentious proposals.

The move followed 17 rounds of talks in which Mr. Patten sought to win Beijing's assent for a plan to expand democratic rights in the colony's 1994-95 elections. On Thursday, after complaining for weeks of Chinese intransigence, Mr. Patten said that time had run out.

"We now have no choice but to begin the process of legislating," he said.

China replied in a dispatch by the official Xinhua press agency that the introduction of the legislation "would represent a very serious step to undermine the Sino-British talks and mean the breakdown of the whole talks."

Earlier, China's Foreign Ministry spokesman, Wu Jianmin, was quoted as stating that "should the talks break down, the responsibility would rest entirely with the British side."

The dispute threatens Hong Kong's political and economic stability, as well as Beijing's relations with Britain and, ultimately, with other Western democracies including the United States.

Under one much-discussed scenario, Mr. Patten could implement his changes during next year's elections, but Beijing would simply declare them null and void.

Although China has agreed to preserve Hong Kong's autonomy and its capitalist system for 50 years, Mr. Patten and his followers contend that the political reforms are necessary to enshrine the colony's free-wheeling way of life after 1997.

But Beijing views the moves as an effort to undermine its control over Hong Kong.

Postures, Not Policy, at Issue 2 Sides in Dispute Play to Own Audiences

By Kevin Murphy
International Herald Tribune

HONG KONG — The British-Chinese war of words over political reform in Hong Kong—a war that will most likely generate heightened intransigence before anything is resolved—is, at this stage, more about form than substance.

After Governor Chris Patten's announcement Thursday that he would present a partial package of democratic reforms to the colony's legislature on Dec. 15, without China's approval, both sides will now be playing to their respective galleries.

And the impasse between Britain and China will most likely retreat to a similar scenario of eight months ago: no agreements on matters of substance and no scheduled talks about them.

At this point in the long dispute over increasing the participation of Hong Kong people in their electoral system, Mr. Patten, the architect of the plan, needs to be seen as defiant toward China.

"After 17 rounds," Mr. Patten said, "it has still not proved possible to reach agreement, even on the most urgent and uncontroversial of issues. We have reluctantly concluded that we now have no choice but to begin the process of legislating on the simpler issues, not least if we are to give ourselves more time to talk with China about the more difficult ones."

At the same time, Beijing and its allies in Hong Kong feel they must appear suitably aggrieved, defending China's reputation and vision of national sovereignty.

After Mr. Patten's announcement, Beijing — not unexpectedly — said the unilateral step would destroy a negotiating process that has dragged on through months of heated talks.

In a conciliatory gesture, Mr. Patten moved to allow the 28 Hong Kong residents who serve in China's parliament to run for office in the final elections to be held under British rule in 1994-95.

But the gesture was not enough to mollify Beijing, which has fiercely opposed Mr. Patten's proposals since they first surfaced in October last year.

China first ignored the democratic reforms, then resisted them with public attacks that have jarred a nervous local stock market over several months. It is a sign of the talks with Britain in April only after Mr. Patten threatened to introduce legislation on the full package for debate without Beijing's approval.

The limited measures now formally on the Legislative Council's agenda would establish a single-seat, single-vote electoral system, lower the voting age to 18 from 21 and abolish appointments to

local municipal offices. These are far less controversial than other elements of Mr. Patten's proposals.

Indeed, a majority of Hong Kong's legislators, including some who often take their cue from Beijing, have already signaled their support for the limited package.

The more divisive issues remain unresolved. These are the size of various functional constituencies, which are electorates organized along professional and trade group lines, and the right of

legislators elected in 1995 to serve past 1997, when Britain hands over control.

Unless a new channel for negotiations is opened, the thornier issues threaten to undermine future Chinese-British relations.

Britain is still reluctant to push ahead on its own with the entire package, despite calls to do so by some legislators. Even after its unilateral action Thursday, Britain stressed its willingness to continue talking.

"Our team will never be the team that walks away from the table," said Mr. Patten, who is aware that further formal discussions appear impossible without an embarrassing backing down by China.

Britain also knows that further escalation of the dispute is unlikely to find wide support in local opinion polls.

For their part, Beijing officials have stressed to visitors from Hong Kong in recent weeks that although they reserve the right to overturn any laws they do not agree with after regaining sovereignty, China is unlikely to harm the colony's economy.

With his credibility imperiled by the overall lack of progress, Mr. Patten must appear reasonable, but resolute, to rally skittish local support for further confrontation and to safeguard Britain's international reputation for protecting Western democratic ideals.

Beijing, its senior leaders mindful of the troubling impression a defiant Hong Kong might have on other regions of China chafing under central control, is unwilling to concede much without a struggle.

Nor is it likely the same men will commiserate too "soft" a line on Hong Kong affairs in a climate where the leadership is jockeying for position prior to the demise of China's senior leader, Deng Xiaoping. Mr. Deng, 89, is rumored to be in very poor health.

French Awareness High On Holocaust, Poll Says

New York Times Service

PARIS — The French, who have often been accused of trying to ignore France's role in the deportation of Jews during World War II, are much more knowledgeable about the Holocaust than Americans and Britons, according to a poll carried out for the American Jewish Committee.

The results of the poll, released here Thursday, also show that while a majority of the French are aware of the movement to deny the existence of the Holocaust, 94 percent of them — compared with 84 percent of Britons and 62 percent of Americans — believe that extermination of the Jews did take place.

The poll by Louis Harris-France

followed similar polls carried out in the United States and in Britain aimed at measuring the level of public information about the Holocaust.

David Singer, the committee's research director, said the principal conclusion was that "people in France and Britain know much more about the Holocaust and are much less open to the possibility of denial than Americans."

He said he felt the American results were more a measure of ignorance than of anti-Semitism.

France was occupied by Nazi Germany between 1940 and 1944. Some 75,000 French and foreign Jews were deported to Nazi death camps.

Germans Investigating 'Hit-List' Publication

Reuters

KARLSRUHE, Germany — The Federal Prosecutor's Office said Thursday it was investigating a neo-Nazi magazine that published a detailed "hit-list" of leftist political opponents.

The magazine *Einsicht* appeared last week and carried the addresses, telephone numbers and car license plates of at least 250 writers, teachers, businessmen and politicians it said neo-Nazis should "punish."

Distributed by mail from Denmark, its goal appears to be revenge against "anti-fascist" groups that have openly protested growing far-right violence.

The prosecutor's office said it was investigating the "unknown" publisher and distributor of the magazine "on suspicion of having formed a criminal association."

Einsicht — the name means insight — describes itself as "the national resistance magazine against increasing Red Front and anarchist terror" and its cover shows a muscular skinhead threatening a long-haired leftist.

According to the newsweekly *Die Woche*, the Hamburg hit-list entitled index has succeeded in undermining "anti-fascist" groups in the coastal town of Aurich after publishing about 100 names of potential targets there.

It also quoted a leading Hamburg neo-Nazi, Christian Worch, as saying mayors, judges and police should be made responsible for recent bans on far-right rallies.

The magazine appears to be building on the work of groups in Hamburg, Berlin and Mainz that have been publishing similar lists for more than a year. The Berlin leftist daily *Tageszeitung* reported.

According to the newsweekly *Die Woche*, the Hamburg hit-list entitled index has succeeded in undermining "anti-fascist" groups in the coastal town of Aurich after publishing about 100 names of potential targets there.

A local trade union leader, Manfred Kloepper, told *Die Woche* he would not stop campaigning against skinheads even though they have beaten up his teenage daughter twice.

In Berlin, a neo-Nazi magazine called *City Rebel* has run an address list of 30 bars and bookstores frequented by leftists.

Bosnia Talks Founder on Issue of Land

By David B. Ottaway
Washington Post Service

GENEVA — Negotiations for a settlement of the Bosnian conflict ended in deadlock Thursday after the Bosnian Serbs had won a major concession from the Muslim-led government to divide Sarajevo into two cities but they refused to make any serious territorial concessions of their own.

Mohammed Sacirbey, Bosnia's United Nations ambassador, said that the Bosnian Serbs had taken an "uncompromising" attitude toward handing back any conquered lands in eastern or western Bosnia.

"There are no concessions on the Serb side in terms of territory whatsoever," he said.

Bosnian government and Serbian officials said the two sides would continue their talks next week in Sarajevo with the possibility that the negotiations could resume in Geneva.

Mr. Sacirbey said that the Bosnian government's tentative agreement to give the Bosnian Serbs one-third of Sarajevo and its surrounding suburbs had always been contingent on Serbian land concessions being made in eastern and western Bosnia.

The European Community has demanded that the Serbs give up 3 percent to 4 percent more than the roughly 20 percent they have already tentatively agreed to cede so that a Muslim majority republic could have one-third of the country. The Serbs presently hold over 70 percent of the land and would end up with about 50 percent.

In return for these additional land concessions, the Community has proposed that sanctions on economically-strapped Serbia, the main ally of the Bosnian Serbs, be progressively lifted as the peace plan goes into effect.

Despite the lack of any clear progress in the talks, observers here said that the Bosnian government's conditional acceptance of the capital's division appeared to be one more step toward the complete partition of Bosnia into three independent ethnically-based states.

Under the proposed peace plan under discussion here, the three republics were supposed to remain united in a loose "union," at least initially, with as many as 50,000 North Atlantic Treaty Organization troops brought in to assure its unity and the demilitarization of the three republics.

However, if the republics become immediately independent as now seems increasingly likely, the role envisaged for the United Nations and NATO would probably be substantially reduced.

Radovan Karadzic, leader of the Bosnian Serbs, the only participant visibly pleased by the outcome of the talks here, said there would be "win-winners" in Sarajevo — one for the Serbs and the other for Muslims — and that this would eliminate any need for the United Nations to administer Sarajevo.

Mr. Sacirbey charged that the two international mediators, David Owen and Thorvald Stoltenberg, had failed to follow the mandate given to them by EC foreign ministers. Instead, the two mediators had allowed most of the negotiations to center on the division of Sarajevo, he said.

While the Bosnian government found the city's partition "repugnant," he said it had been forced to accept the concept because the international community had refused to do anything to lift the 19-month-old Serbian siege of the capital.

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STATESIDE / BAD NEWS FOR TAX CHEATS

★ POLITICAL NOTES ★

Clinton's Vote-Loss First Year is a Rarity

WASHINGTON — After taking office with a pledge to end gridlock, President Bill Clinton is closing out the year without a veto, the first time for a new chief executive since Richard Nixon in 1969. "We don't pick fights unnecessarily," said Howard Fester, Mr. Clinton's chief lobbyist in Congress. "On the important things, we've been able to work things through."

Charles Jones, a political science professor at the University of Wisconsin, said: "When a president does have a majority in Congress, if he's working it right, he's in a position to make the deals within his own party."

Mr. Jones said that Mr. Clinton had "shown himself to be a let's make a deal type of president," on tough issues such as the budget and the North American Free Trade Agreement.

Some Republicans see a smart political strategy at work, while others say it points up weakness.

"Strategically they probably made the right decision," said Eddie Mabe, a Republican political consultant. With Mr. Clinton and Democrats pledging an era of cooperation, he said, "even one veto to some extent would undermine that and generate a lot of headlines."

But Lynn Metzger, who worked for Mr. Nixon and Ronald Reagan, said Mr. Clinton was a "man who's easily pleased." (AP)

Mitchell on Gun Control: First Things First

WASHINGTON — The Senate Democratic leader, George Mitchell of Maine, says he opposes taxes on ammunition and increased license fees for gun dealers, two gun-control ideas being considered by the Clinton administration.

Mr. Mitchell decided what he called "an interesting tendency whenever we pass legislation" to devote its significance and suggest some further step. He referred specifically to the Brady bill, which requires handgun purchasers to wait five business days for a background check.

"Passage of the Brady bill was significant," he declared. "I think the assault weapons ban passed by the Senate but not yet by the House is significant. I think we should concentrate our energy and our efforts on trying to gain its enactment into law by next year."

President Clinton, however, has indicated he is prepared to go much farther than his party's Senate leader in pressing for new measures beyond the Brady bill and the assault weapons ban. (LAT)

Rostenkowski Warns on New Tobacco Taxes

WASHINGTON — Representative Dan Rostenkowski, Democrat of Illinois, has expressed doubts about steep increases in tobacco taxes that the White House is counting on to help pay for its health-care program.

While President Clinton has proposed a 75-cent increase in the federal tax on each pack of cigarettes, to 99 cents, he wants even steeper rises in the levies on chewing tobacco, snuff and other forms of tobacco. Taxes on cigars would also go up.

Mr. Rostenkowski said that witnesses before his committee "argued that the new taxes, particularly on products other than cigarettes, were onerous and that we should not ask a single industry to pay the entire additional cost." (AP)

Quote/Unquote

President Clinton, 47, sitting down for talks with Prime Minister Carl Bildt of Sweden, 44: "I'm jealous of him because he's three years younger than I am. So I wanted to see about this man who's taken Europe by storm, that's so much younger than me." (Reuters)

Away From Politics

- A commuter plane slammed into a hillside about a mile short of the Hibbing, Minnesota, airport, killing all 16 passengers and 2 crew members. The weather at the time of the crash of the Northwest Airlines flight was foggy with freezing drizzle, and visibility was limited to about a mile, the authorities said.
- Stricter standards for clinics that give amniocentesis have been announced by the Food and Drug Administration, raising the possibility that some of the 12,000 mammography clinics in the United States will go out of business over the next year. The standards take effect on Oct. 1, 1994.
- A "primary suspect" in the abduction of a girl in Petaluma, California, is being questioned by police, but they had no answers for those asking where the girl, Polly Klass, 12, might be. She was kidnapped at knifepoint from her home on Oct. 1.
- Governor Mario M. Cuomo of New York said that he would nominate Carmen Beauchamp Ciparick, a New York state Supreme Court justice in Manhattan, to be the first Hispanic judge on the state's highest court, the Court of Appeals.
- The Public Broadcasting Service has a new president, Ervin S. Duggan, a member of the Federal Communications Commission. Mr. Duggan, a Washington insider, arrives at a critical time for public television with its 346 member stations, as its role is increasingly being questioned.
- The number of children who died in 1992 from apparent abuse or neglect by a parent or custodian in New York City dropped to 87 in 1992 from 102 the year before, the city's Human Resources Administration said.
- Michael R. Milken's cancer has spread beyond the prostate gland, but successful hormone treatment has allowed him to begin radiation therapy, he said. Mr. Milken, the former financier who launched the junk bond boom, is 47. (AP, NYT, WP, Reuters)

IRS to Sharply Increase Its Enforcers

By Albert B. Crenshaw
Washington Post Service

WASHINGTON — The Internal Revenue Service has announced plans for a fundamental reorganization of the agency that will affect as many as 20,000 workers and could sharply increase the agency's effectiveness in tracking down tax cheats.

The reorganization fits with the Clinton administration's "reinventing government" initiative but primarily is an outgrowth of the agency's \$12 billion replacement of its computer systems.

The new systems will reduce by about 34 percent the number of people needed to process tax returns and do other manual chores, officials said.

The agency expects to "reinvest" these savings by retaining workers to be auditors, revenue agents and other types of tax enforcers. Currently, many workers at the agency perform such repetitive and monotonous tasks as sorting forms from the 115 million tax returns received every year.

The goal is to increase the rate at which taxpayers voluntarily pay their taxes from the current 82.3 percent to 90 percent by 2001. Each percentage point of increase would mean an extra \$7 billion in revenue for the Treasury, officials said.

An Internal Revenue Service executive responsible for modernization, Larry G. Westfall, said that the step would mark the most important change in 40 years in the way the agency did business.

He and other officials were quick to add that the agency did not expect to lay off workers.

Officials said they expected some workers to leave through attrition, early retirement or buyouts if Congress authorized them. But overall, they expect the agency's work force to be the same size in 2001 as it is today.

In addition to beefing up enforcement activities, the agency will redeploy some workers into taxpayer assistance efforts. The goal is to get 95 percent of taxpayer problems resolved with a single telephone call.

To accomplish these ends, the agency will do these things:

- Reduce from 10 to 5 the service centers around the United States that receive and process tax returns. The five will be renamed "submission processing centers" and will continue to receive and process paper returns. They are in Austin, Texas; Cincinnati; Kansas City, Missouri; Memphis, Tennessee; and Ogden, Utah. The other centers will remain open as "customer service centers," although their staffs will shrink. They are in Philadelphia; Atlanta; Fresno, California; Andover, Massachusetts; and Brookhaven, New York.
- Consolidate 70 toll-free telephone and taxpayer correspondence sites into 23, including sites in Baltimore and Richmond, Virginia.
- Reduce central computerized record-keeping centers to 3 from 12.
- Overall, Mr. Westfall said, the cost of the new computer systems will be about \$12 billion, but the savings through increased efficiency is estimated at close to \$17 billion over the life of the new equipment, resulting in a net savings of \$5 billion.

The retraining needed to carry out the plan will be "massive," said the president of the National Treasury Employees Union, Robert M. Tobias. Not only will the agency have to teach thousands of displaced workers new skills, it will have to do that while getting its new computers up and running.

Officials said they believed that the idea that nearly one American in five was not paying what he or she owed would cause voters to press their representatives for better enforcement.

In most cases, workers from the facilities that are being cut back will be able to switch to other IRS jobs in the same general area, officials said.

U.S. Broadens Rights For Children Abroad

International Herald Tribune

WASHINGTON — The House has adopted legislation that will significantly improve the citizenship rights of the children of Americans living abroad. It voted to ease the naturalization process for Americans abroad who adopt non-American children, and to restore citizenship to certain U.S. citizens who had lost that status.

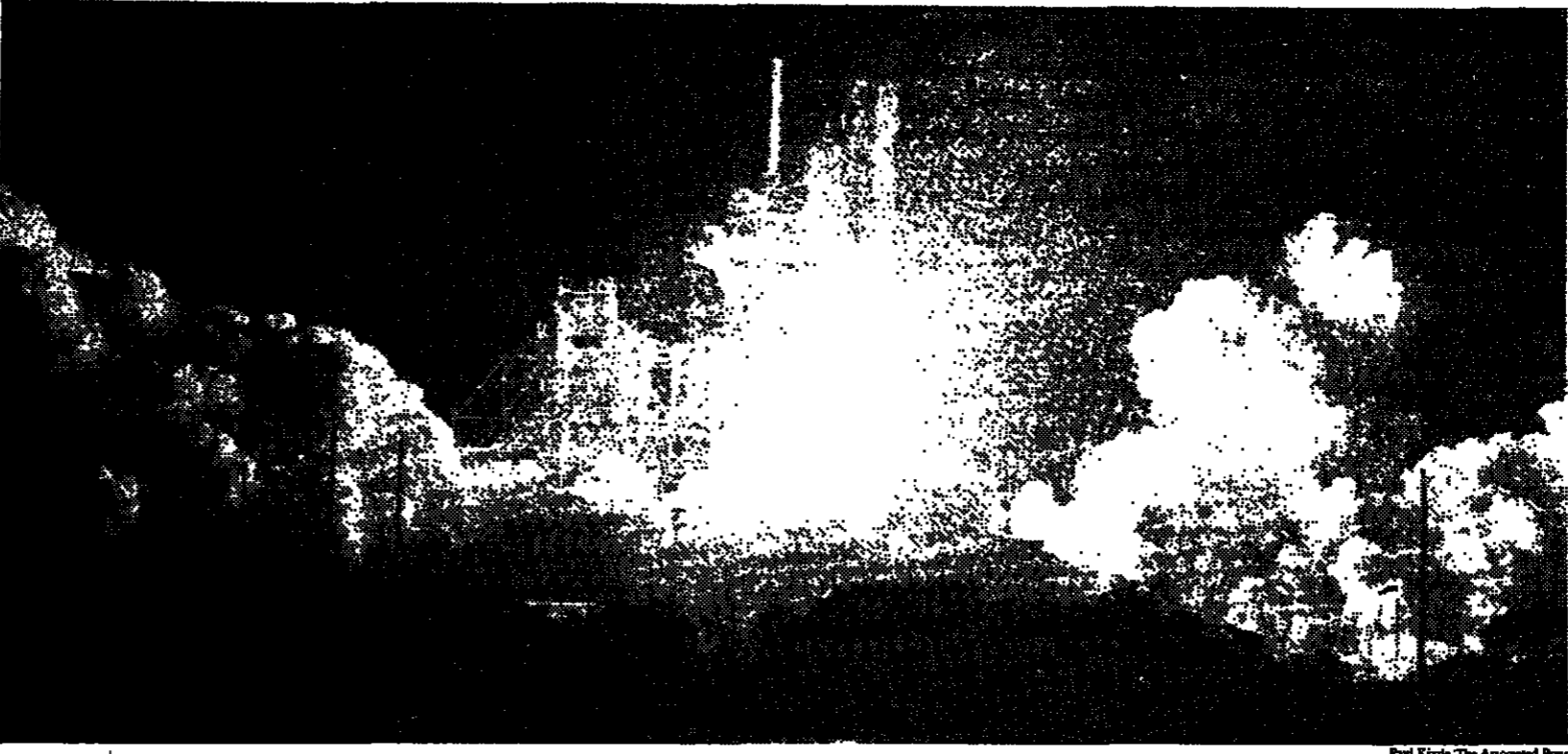
These changes had long been sought by U.S. groups abroad. Under current law, non-American children who are adopted by American parents abroad cannot be naturalized as U.S. citizens unless the family resumes living in the United States.

The new rule would allow parents to apply to have their child naturalized while still abroad and then finalize the adoption through a single visit to the United States.

The second provision would reinstate about 5,000 people born abroad from 1934 to 1952. Persons in this group had been stripped of their citizenship for failing to comply with requirements that they reside in the United States for a given period of time between the ages of 14 and 19.

That section was repealed in 1978 after Congress decided that it imposed undue hardship on American families, many of whom could not afford to send their children for extended stays in the United States or were unwilling to break up their families.

The Senate had already adopted these changes as part of its own immigration reform act, and reconciliation of the two versions is expected when Congress reconvenes in January.



REPAIR CREW ON ITS WAY — The space shuttle Endeavour lifting off Thursday from Kennedy Space Center, Florida, on an 11-day mission to repair the Hubble Space Telescope. It will rendezvous with the telescope Saturday. Eleven parts are to be installed in at least five spacewalks, a record for a shuttle mission.

'Meet the President' (A Creative Artists Exclusive)

By Bernard Weinraub
New York Times Service

LOS ANGELES — Less than three months ago, President Bill Clinton played a significant role in finding common ground among Israelis and Palestinians. Just before Thanksgiving, he managed to bring together American Airlines flight attendants and the company's management.

Now Mr. Clinton is facing a standoff in Beverly Hills that might well demand his personal intervention, too.

At issue is the planning for the president's visit on Saturday to raise money for the Democratic Party in two events that are to be crisscrossed with stars and moguls.

The visit is to be Mr. Clinton's warmest embrace of the entertainment community since last spring, when the Washington-Hollywood romance got so many headlines that both sides apparently decided to cool it for a while.

Now, some of Mr. Clinton's strongest Democratic supporters here are upset over his plan to appear at a fund-raising event at the Creative Artists Agency, the most powerful talent agency, for a select group of nearly 400 people, most of them Creative Artists clients.

Among his clients are Michelle Pfeiffer, Mel Gibson, Richard Gere and Julia Roberts, who also have not been invited.

Anna Perez, a spokeswoman for Creative Artists who joined the agency after serving as Barbara Bush's spokeswoman at the White House, insisted that no one was deliberately excluded.

"We had three weeks to get this organized," she explained. "We had to do it in the most efficient, effective way. We used the list we had in hand: CAA clients, CAA agents and executives, and friends and executives in the community. It's a wide-ranging list."

Mr. Clinton's planned afternoon and evening visit is expected to raise at least \$2 million for the Democrats. In the Creative Artists

event, nearly 400 people are expected to gather in the spectacular atrium lobby of the agency's headquarters, designed by the architect I. M. Pei. Most of these guests will pay \$1,000.

But because this is Hollywood, where the governing principle is to be a little more exclusive than your colleague, there's also a party without.

An ultraselect group of 60 will pay \$2,500 to chat with Mr. Clinton in an upstairs room before the main event. Upstairs guests are to include Dustin Hoffman, Geena Davis, Whoopi Goldberg and Alec Baldwin, as well as executives like Michael D. Eisner, chairman of Walt Disney Co., and Peter Guber, Sony Pictures Entertainment chairman, said Creative Artists officials.

As if the afternoon party wasn't ruffling enough feathers, the second event of the presidential visit, an evening dinner at the Beverly Hills mansion of Marvin Davis, the

billionaire oil and real estate mogul, was also causing talk.

About 170 people are expected to show up at that event, at a cost of anywhere from \$25,000 to \$100,000 a couple. The expected guests there also make up an elite list, including Steven Spielberg, Barbra Streisand, David Geffen, Frank Sinatra, Jeffrey Katzenberg, chairman of Walt Disney Studios, and Robert A. Daly, Warner Brothers chairman.

The tempest here comes at a time when Mr. Clinton has proposed an overhaul on campaign financing, seeking to limit such big-money political events.

At the moment, however, the Democratic National Committee is working under current law to raise money for voter registration and other party activities. A White House official said, with an allusion to the Republican Party: "We're playing under the rules that exist today. But we won't declare a unilateral cease-fire and let the other side raise money in that way."

On another critical question for the administration — the validity of the White House's cost estimates for achieving universal coverage — sources said the Congressional Budget Office was likely to have what one committee chairman called "bad news."

But Robert D. Reischauer, director of the agency, said, "We have not progressed far enough on our cost estimates to know whether we are going to be higher or lower than the administration."

Haiti Prime Minister Adamant About Resigning

By Howard W. French
New York Times Service

PORT-AU-PRINCE, Haiti — In a blow to the recent diplomatic efforts to salvage a political accord in Haiti, Prime Minister Robert Malval has again said that he will resign as planned on Dec. 15.

Speaking to the nation on Wednesday before going to Washington, Mr. Malval said his talks with the country's military authorities had failed to make any progress in restoring democracy. He also said that his lack of cooperation, for what he said was his total lack of cooperation, Aides to Mr. Malval said he would tender his resignation to the exiled president, the Reverend Jean-Bertrand Aristide, in Washington. Father Aristide appointed Mr. Malval on Aug. 30.

"If we have chosen to leave the scene, it is because it was the only way to get out of the crisis," Mr. Malval said. Asked after his speech if there was any circumstance under which he might be persuaded to remain, he replied,

"No way," adding only that he would continue to oversee limited administrative matters until a new government was formed.

[Speaking in Brussels, Secretary of State Warren M. Christopher said the United States would encourage Mr. Malval to stay in office past Dec. 15, Reuters reported.

"I think he's not finished the very important work that he started," Mr. Christopher said. "The United States will be giving him every encouragement, because he's part of the constitutional government that has been formed." He did not specify what Washington would do to dissuade Mr. Malval.]

Mr. Malval's resignation could be a major and perhaps final blow to a 10-month effort to restore Father Aristide to office under the terms of a negotiated settlement signed in July in New York by both the president and the army leaders who overthrew him 26 months ago.

The military commander, Lieutenant General Raoul

Cédras, refused to resign as stipulated by Oct. 15. Father Aristide was to return on Oct. 30.

Diplomats, foreign relief workers and Haitian economists say the economy is heading for a total collapse under the weight of an international oil embargo that was imposed to punish the military, as well as two years of severe economic mismanagement.

■ Health Decline Is Doubtful

The New York Times reported from Washington: Responding to assertions that a health of the poor in Haiti was deteriorating rapidly, a Clinton administration expert said that neither the coup two years ago nor the economic embargo aimed at returning President Aristide to power had caused significant harm.

"Right now, as best as we can tell, and I don't know anybody who has better information than we do, there is no physical evidence of a significantly worsened humanitarian situation in Haiti," said the official, who is with the Agency for International Development.

Gore, on Visit to Mexico, Sells Democratic Values

Washington Post Service

MEXICO CITY — Vice President Al Gore, using Mexico as his platform, has urged Latin American nations to take advantage of new trends toward regional economic cooperation as a way to strengthen their democratic values.

The vice president's call for renewed commitment to "democratic political culture" came three days after President Carlos Salinas de Gortari invoked the most closely held prerogative of power that a Mexican president can exercise: naming his party's candidate to be his successor as president. This virtually assures his choice will win the election.

In a speech before thousands of Latin American business leaders here, Mr. Gore called for an economic meeting of leaders of the "Western Hemisphere community of democracies" next year, probably in the United States.

Administration officials said they were unsure exactly which nations would qualify as democracies and be invited. Among problematic countries, a senior administration official said, were Haiti and Peru, where President Alberto Fujimori has maintained an iron grip on power since he suspended the constitution and dissolved the legislature in April 1992 with military backing. Cuba definitely would not be invited, the official added.

Mr. Gore urged greater hemispheric coordination on economic, environmental and cultural issues, referring to the North American Free Trade Agreement "as a starting point for dealing with the common challenges of the Americas."

His speech was broadcast throughout Central and South America.

Although he referred to democratic values at least a dozen times during the 30-minute speech, he made no direct reference to Mexico's much-criticized political system, in which the same party, the Institutional Revolutionary Party, has held power for 64 years.

GATT: An Outline Accord on Agriculture Reported

Continued from Page 1

should be sellable in France. "We believe we can provide the kind of package that not only the Community will sign on to but everyone in the Community will be satisfied with," he said.

The U.S. secretary of state, Warren M. Christopher, was to review the outline agreement with his French counterpart, Alain Juppé. Both men were in Brussels for a ministerial meeting of the North Atlantic Treaty Organization.

Mr. Juppé told reporters Thursday that he had received "only vague and general" details on the state of negotiations, adding that the basis for agreement was still lacking in several fields.

Mr. Kantor, meanwhile, paid homage to Mr. Christopher, saying he had played a major role in encouraging European flexibility in talks here Wednesday with Sir

Leon and Jacques Delors, president of the EC Commission. Mr. Christopher's statement that a failure in the trade talks would harm trans-Atlantic ties — which was regarded here as a veiled warning that Washington could reduce its security commitment if Europe wasn't more forthcoming on trade — were "impressive" and "extremely helpful," Mr. Kantor said.

Sir Leon also was to begin selling the package at a meeting of EC foreign ministers Thursday evening.

The ministers also were to review Sir Leon's proposal to defend Europe's movie and television programming industry from further encroachment by Hollywood, but American officials said that plan remained unacceptable. Washington's main concern is to prevent Europe from erecting barriers to future avenues of programming

NOTORIOUS: Painful Secret

Continued from Page 1

Fund. There are two immediate items on the group's agenda. First is to change the name of the street where Sacher-Masoch was born from Copernicus Street to Masoch Street. "Copernicus was a very neutral guy. He was just a scientist," said Mr. Podolchak.

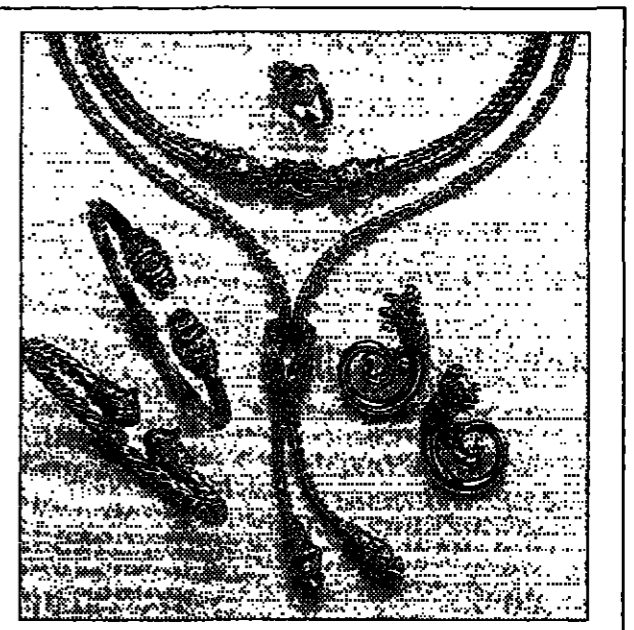
Second is to erect a statue in Sacher-Masoch's honor, after an exhaustive international competition among sculptors. Further down the road, Mr. Podolchak also dreams of a museum.

So far, though, there seems to be no great groundswell of support for removing the street name of Poland's greatest astronomer and replacing it with that of Austria's greatest deviant. And as for the statue, it has not quite captured the public's imagination.

One city council member declared that the statue would be erected over his dead body. "He said, 'Once again, as during the Soviet Union, there are people who want to turn Ukrainians into a nation of masochists,'" Mr. Podolchak recalled.

As for whether his group practices, or advocates, masochism, Mr. Podolchak is not saying. Still, a visitor to his studio can be forgiven for wondering. His paintings — large, dark, disturbing canvases — are filled with pieces of torsos and dismembered limbs. A naked, broken plastic doll hangs by a noose from a ceiling pipe.

Mr. Podolchak says it is "not important" whether he has dabbled in masochism or not. "Many people can try various things, and they may be partly masochists or partly sadists," he said. "I'm not interested in whether someone's tried it or not. I'm interested in his part in culture, his influence on culture."



For this holiday season Ilias Lalaounis presents an elegant ensemble in 20 - 22 kt gold inspired by Classical Greek art.

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INTERNATIONAL Herald Tribune

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Wake-Up Signals in Japan

Japan's alarming stock market, with its downward swoops and fainting spells, is signaling severe economic distress. Like other rich countries, including the United States, Japan is having trouble regaining its balance after the great boom of the 1980s.

Rangoon Goes Too Far

Even diplomats inclined to give maximum scope to sovereign governments have a hard time defending the widespread human rights abuses committed by Burma's State Law and Order Restoration Council.

The Point About Rushdie

President Bill Clinton did a brave and decent thing in meeting last week with Salman Rushdie, which he muddled by seeming to apologize for it.

Other Comment

An Hour a Week for the World

Ten months into the Clinton administration and after weeks of delicate haggling, the ever patient Secretary of State Warren Christopher finally was able to get his boss, the president, to agree to start spending one hour a week — one hour a week!

An Alliance for Tomorrow

Adapting to the post-Cold War world has not been easy for the North Atlantic Treaty Organization. The disappearance of the Soviet threat robbed it of its raison d'être.

When the Worst Just Keeps Dragging On

By Flora Lewis

PARIS — On the far side of tragedy, when the worst keeps happening, lies black fate. It becomes farse when the United Nations has to beg and wheedle, bribe and induce the war leaders for permission to deliver food and medicine.

who knows if the leaders even try to keep the promises they spout in international meetings? — are one of the best chances to get food. Last month, the driver of a UN relief truck was shot by hungry and frustrated Bosnian soldiers near Zenica.

Trouble to Come if Yeltsin Can't Build Consensus

By Alexei K. Pushkov

MOSCOW — Although Boris Yeltsin seems stronger than ever, his era may end in disaster, possibly in dictatorship. As the Dec. 12 parliamentary elections approach, the main question is not whether President Yeltsin is a true democrat in his heart but whether his brand of soft authoritarianism will bring Russia closer to a functioning market economy and political stability.

Russian Center for Public Opinion shows that anti-Yeltsin democrats may win as much as a third of the vote. Some analysts think that the Communists, who have rallied a number of nationalist and hard-line parties, may win 10 to 12 percent.



By EWK in Altbach (Stockholm), CAW Studios

Free Advice to Russians: Split the Vote

By William Safire

WASHINGTON — The Russian legislative election and constitutional referendum is two weeks from the finish line. The main issue is getting so little notice in the United States that Americans don't know who or what to root for.

4. The Old Guard, which frequently surrenders but never dies. A vigorous Gennadi Zyuganov has reorganized the Communist Party of the Russian Federation; his loyal but small cadre has a deal with Mikhail Lapsin of the Agrarian party to fight privatization.

International Herald Tribune advertisement listing contact information for various offices and subscription rates.

Yeltsin Isn't the Only Show Anymore

NOW THAT Boris Yeltsin has become the undisputed and unrestricted ruler of his country, the soul-searching has begun: Can democratic ends be achieved by undemocratic means?

Bill Clinton was right to give Mr. Yeltsin his unreserved support during the days of dramatic confrontation, when the fate of democracy in Russia was at stake. But not anymore.

Just Stop Coddling Mothers?

By William Raspberry

WASHINGTON — Charles Murray is disturbing in a way other social iconoclasts are not. He is not a radical, but a realist.

1893: Painting the Town

LONDON — The member of Christ Church, Oxford, who was supposed to attend the ball given at Blenheim Palace on Friday night [Dec. 11] to celebrate the coming of age of the Duke of Marlborough, were not allowed to do so except under conditions which they declined to accept.

1943: Marseilles Blasted

ALLIED HEADQUARTERS, ALGIERS — [From our New York edition] Marseilles was bombed for the first time today [Dec. 2] when a strong force of American heavy bombers of the Northwest African Air Force dropped its loads on submarine pens and construction facilities in the harbor.

1918: Berliners Plotting

LONDON — A telegram from Amsterdam to the "Daily Express" says that a plot for the restoration of the Empire and the return of the Kaiser had been discovered in Berlin.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Painting the Town. LONDON — The member of Christ Church, Oxford, who was supposed to attend the ball given at Blenheim Palace on Friday night [Dec. 11] to celebrate the coming of age of the Duke of Marlborough, were not allowed to do so except under conditions which they declined to accept.

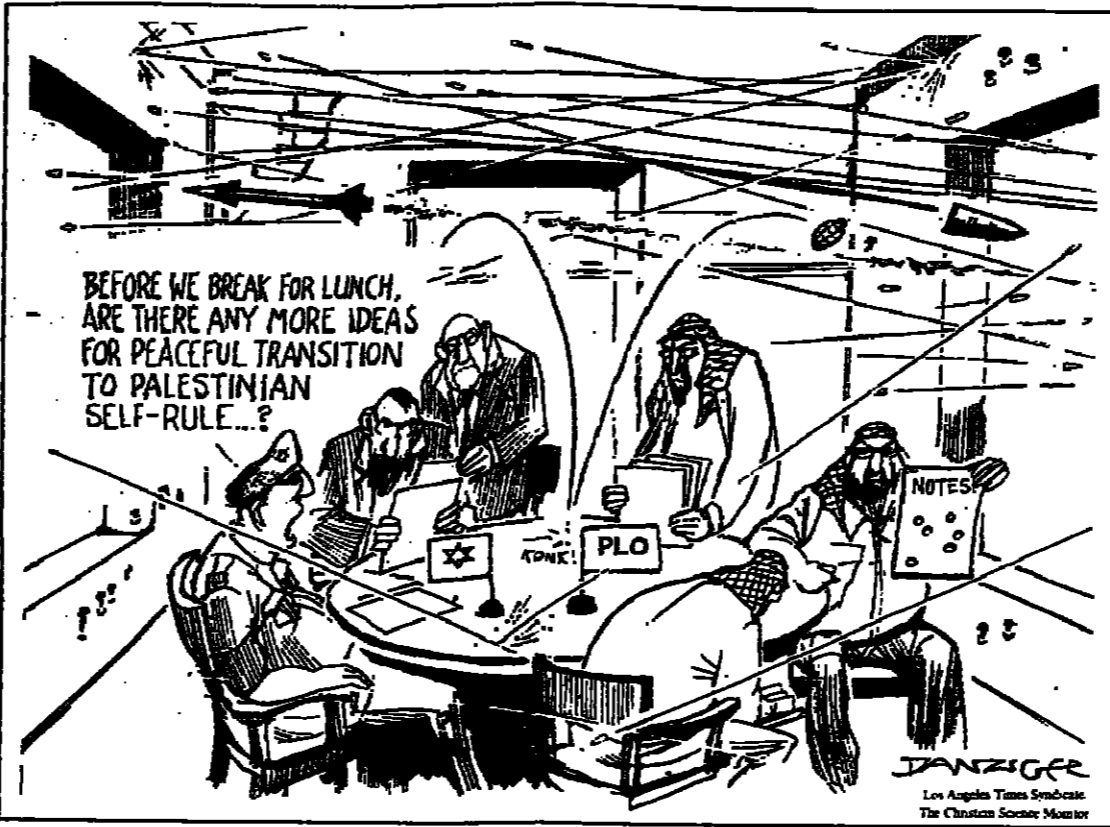
OPINION

The CIA Drug Connection Is as Old as the Agency

By Larry Collins

LONDON — Recent news item: The Justice Department is investigating allegations that officers of a special Venezuelan anti-drug unit funded by the CIA smuggled more than 2,000 pounds of cocaine into the United States with the knowledge of CIA officials...

to the warlord generals, who agreed to slip some soldiers back into China. In return, the agency offered arms. Initially, the arms were intended to equip the warlords for a return to China. In fact, the Chinese wanted them to repel any attack by the Burmese.



everything the DEA had on Mr. Noriega. The material has disappeared. Shortly after General Torrijos's death in a mysterious airplane crash, Mr. Noriega, with CIA assistance, took command of the Panama National Guard.

Nowhere, however, was the CIA more closely tied to drug traffic than it was in Pakistan during the Afghan War. As its principal conduit for arms and money to the Afghan guerrillas, the agency chose the Pakistan military's Inter-Services Intelligence Bureau.

The conflict and its aftermath have given the world another Golden Triangle: the Golden Crescent, sweeping through Afghanistan, Pakistan and parts of the former Soviet Union.

The Court Allows the Thief To Make Out Like a Bandit

By Richard Cohen

WASHINGTON — In 1984, Bernard McCummings, then 23, joined with two other men to mug a 72-year-old man named Jerome Sandusky in a New York subway station.

McCummings (yes, Mr. McCummings) had won on the ground that excessive force was used. The court turned down the appeal without comment. Allow me. The courts had to deal with some difficult facts. The ones in this case clearly suggest that Mr. Rodriguez broke the rules.

an unacceptable resolution of the factual disputes. With that, the court upheld the \$4.3 million payment from Mr. Rodriguez's employer, the New York City Transit Authority.

LETTERS TO THE EDITOR

Talking Won't Help

Regarding the report "EC Agrees to Use 'Appropriate Means' To Get Aid to Bosnia" (Oct. 30): The European Community leaders have made a brave new statement concerning Bosnia: "We must lift the obstacles to free access to humanitarian aid."

The Croatian Record

Regarding the editorial "Bad Memories of Croatia" (Nov. 16): Some foreign journalists have criticized Croatia for its alleged drift toward neo-fascism. A number of well-meaning television and newspaper correspondents have accused the Croatian president, Franjo Tudjman, of reviving the Ustasha-fascist legacy of World War II.

Nothing We Have Learned

Nothing we have learned at least one thing from this war: No amount of talking will stop it or even slow it down. GUY KERVYN, Brussels.

To suggest, as the Nov. 16 editorial does, that the Croatian Ustashes slaughtered only "tens of thousands of Serbs and Jews" during World War II is an insult to those who perished and to those who survived their terror.

But if they were — if, say, felons knew that cops could shoot them if they fled — more of them would likely freeze and put up their hands. More than that, criminal behavior should not be treated as if it were some sort of quasi-legitimate enterprise, governed by the laws of negligence. It is pitiful that Mr. McCummings was paralyzed, but he was as much a victim of his own criminality as he was of a violation of the rules regarding the use of deadly force.

GENERAL NEWS

Francis Dale, Publisher and Envoy, Dies

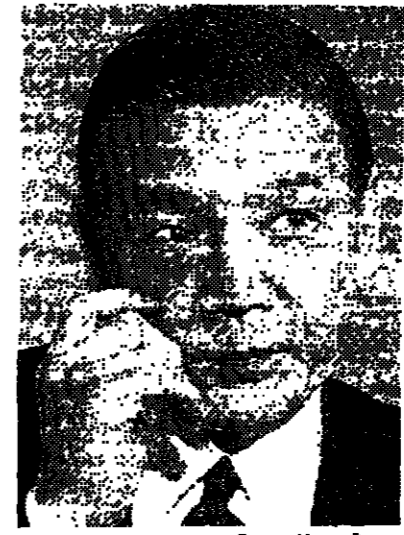
CINCINNATI — Francis L. Dale, 72, a former publisher of Cincinnati and Los Angeles newspapers, U.S. ambassador and professional sports executive, died of a heart attack Sunday while visiting in Victoria Falls, Zimbabwe.

United States, died Monday night in Hallandale, Florida, while watching a football game on television. His client list tended to read like a catalogue of household names, among them Carl Yastrzemski, Larry Bird, Doug Flutie, Bernard King, John Havlicek, Ken Harrelson, Jim Plunkett, Julius Erving, Thurman Munson, Mark Fidrych, Jim Craig, Derek Sanderson, Robert Parish, Rocket Ismail, Ruben Sierra, Larry King and the New Kids on the Block.

David Housston, 57, a country and western singer who won a Grammy award for his song "Almost Persuaded," died Tuesday in Bossier City, Louisiana. Officials said the Grand Ole Opry star never regained consciousness after suffering a ruptured brain aneurysm Nov. 25.

Hosokawa Cuts Loose His Defense Chief

TOKYO — In the first major setback for Japan's new government, the country's defense minister was forced to resign Thursday night after declaring that constitutional limitations on the use of military force were out of date, and urging passage of a constitutional amendment to permit full participation in United Nations peacekeeping operations.



Mr. Nakanishi addressing a press conference after his resignation Thursday.

He was referring to Article 9 of the constitution, which declares that "the Japanese people forever renounce war as a sovereign right of a nation and the threat or use of force as a means of settling international disputes."

In Ukraine, the New Blue-Yellow Military Struggles With Its Red Legacy

By Douglas Jehl

HIROV, Ukraine — For the paratroopers of the 39th Air Assault Brigade, the hilltop compound in Hirrov would have been the jump-off point for a Soviet invasion of Western Europe. Now it belongs to Ukraine, which is trying to shape remnants of the Soviet Army into a force it can truly call its own.

its soil, Ukraine now has the trappings of a superpower. But any leverage the nuclear force offers is limited by the fact that it remains under Moscow's control, and the high cost of its maintenance has created a strain on a strapped treasury as well as on relations with the West.

In Kiev, Colonel General Ivan Bizhan, the defense minister, described Russian territorial claims in the Crimea as "the most dangerous situation" now faced by his country. But while every soldier and officer in his army has sworn allegiance to Ukraine, enduring loyalties to the old regime make it unclear exactly what that means.

attitude and expense still benefit an empire better than a new state. Within the old Soviet Carpathian and Odessa military districts, little has changed beyond their new names as Ukraine's Western and Southern commands. Any major redeployment is regarded as prohibitive in cost, leaving the 20 army divisions in Cold War posture.

officers are regarded by some Ukrainian nationalists as a potential fifth column. Meanwhile, like General Fedirko, as many as 40,000 Ukrainian officers have come home, bringing a rough ethnic balance to what had been the Russian-dominated ranks.

diak, for one, admits to being left at odds with the loss of his old role. "It used to be that you could explain everything on the basis of the class struggle," he said. "It has become much more difficult. We know what the questions are, but we don't always have the answers."

LEISURE

THE ARTS GUIDE



Artist Giorgio Morandi in his studio in the early '50s.

Visit an Artist's Mind

By Ken Shulman

BOLOGNA — The late morning sun shoots columns of light into Piazza Maggiore, transforming the compact, idiosyncratic Bolognese square into a composition of rectangles, squares and cubes. The facade of the Basilica of San Petronio and the arches leading to the Museo Civico are distilled into the simplest of geometric forms. The three sections of the Palazzo Comunale, built in three centuries and in three distinct styles, for once are fused into a single, homogenous composition. The entire piazza hums in a pulsing, red-brown hne.

It is fitting that the newly opened Giorgio Morandi Museum looks down onto this scene. Two floors above the piazza, in the 15 rooms of the Palazzo Comunale that served as the private apartments of Cardinal Gianfranco Le gatto in the 17th century, when Bologna was the second city of the papacy, the paintings, drawings and sketches of Bologna's most important modern painter capture the singularity of the light that makes the static piazza dance and dissolve into its barest essence.

"The true book of philosophy, the book of nature, is written in characters that are not included in our alphabet," Morandi said in a rare interview in 1956. "These characters are triangles, squares, circles, spheres, pyramids, cones and other geometrical figures."

While apparently repetitions of the art of Giorgio Morandi, the artist's work is anything but repetitive. Certainly those hard-headed cognoscenti for whom real art ceased to exist toward the beginning of the 1900s can find simple similarities for their arguments in his paintings. A pair of bottles. A vase. A pitcher. A dish. The same elements. The same composition. Over and over and over again. Yet there, Giorgio

Morandi is merely one of the best-laid seams of modern art. "With a scale of just eight notes, our composers have created an entire universe of music," replies Marianna Pasquali, one of the world's leading Morandi scholars and director of the Morandi Museum. "For me, Morandi is the key to all modern art. I'd say that the person who thinks Giorgio Morandi a fraud hasn't understood a thing about what's happened in this century."

The culmination of Pasquali's 11-year effort to create a permanent Morandi exhibition is a venue that could make any painter shine. The renovated apartments are an ideal context for Morandi's still lifes, landscapes and floral paintings. Beginning with the 1910 "Landscape" and ending with the finished "Still Life" that was on his easel when he died in 1964, the Morandi Museum winds through its chronological display at a stimulating but uncluttered pace.

Realized at a cost of \$1.9 million, which came from the city, the museum obtained the bulk of its collection in a single gift: two years ago, Morandi's youngest sister, Maria Teresa, donated the family collection to the city. She did not ask for payment in exchange for a legacy estimated to be worth \$22 million. But she did stipulate one condition: The city had to provide a permanent home for the collection by the end of 1993. The Bolognese administration

One of the highlights of the museum is Morandi's studio, which was transported brush by brush and bottle by bottle from his home on Via Fondazza to be reassembled there. The studio casts a revealing light on Morandi's work and life. It is almost like a visit inside the artist's mind.

Ken Shulman is an American writer based in Italy.

AUSTRIA

Vienna Kunsthaus, tel: 712 04 95. Continuing/To Jan. 27: "Joan Miro, Sculptures and Drawings." Wiener Staatsoper, tel: 514 440. Of-ferbach's "Tales of Hoffmann." With Placido Domingo and Cheryl Studer. Dec. 20 (premiere), 23 and 27.

BELGIUM

Antwerp L'Europe A Table, tel: (3) 233 02 94. To Dec. 31: Several museums explore the world of gastronomy. The Antwerp bourgeoisie at the turn of the century, and the Maison des Brasseurs reveals the secrets of beer production. Brussels Palais des Beaux-Arts, tel: (2) 507 84 80. Continuing/To Dec. 19: "The Eagle and the Sun: 3,000 Years of Mexican Art."

BRITAIN

Glasgow The Burrell Collection, tel: (41) 849 91 51. To March 19: "Degas in Bronze." More than 70 bronze sculptures include many of Degas's favorite subjects: ballet dancers, galloping horses and bathers.

FRANCE

Paris Bibliotheque-Musee de l'Opera, tel: 47 42 07 02. To Feb. 27: "Voyages d'Opera." 19th-century drawings, watercolors and gouaches of costumes and sets for operas that take place in Oriental or exotic settings, such as Puccini's "Turandot," Verdi's "Aida" and Mozart's "The Abduction from the Seraglio." Centre Georges Pompidou, tel: 44 78 12 33. To Jan. 2: "Georg Baselitz: Drawings 1962-1992." 42 drawings. Centre National de la Photographie, tel: 53 78 12 31. To Feb. 7: "Varietes: Photographies de Mode des 19eme et 20eme Siecles." Fashion photographs including works by Margue, Sarah Moon, Nadar, Newton and Irving Penn. Institut du Monde Arabe, tel: 40 51 38 38. To Jan. 16: "L'Europe et le Monde Arabe." 50 rare books published between the 15th century and World War II showing how Christian Europe viewed the Arabic world. Musee du Louvre, tel: 40 20 51 51. Continuing/To Dec. 13: "Le Dessin a Verone." Eighty large drawings from the 16th and 17th centuries. Musee Marmottan-Claude Monet, tel: 42 24 07 02. Continuing/To Dec. 31: "Homage aux Femmes Impressionnistes." Works by Berthe Morisot, Mary Cassatt and Eva Gonzales. Musee National des Arts Asiatiques-Guimet, tel: 47 23 61 65. To March 14: "Tresors de Mongolie." Masterpieces of Tibetan Buddhism, including gilded bronze statues, from museums in Ulan-Bator. Salle Pleyel, tel: 45 63 07 96. Gala concert for the 50th anniversary of the Marguerite Long-Jacques Tri-baud composition. Orchestre Philhar-monique de Radio-France conducted

CZECH REPUBLIC

Prague National Gallery, Wallenstein Riding School, tel: (2) 53 68 14. To Dec. 21: "Constructive Tendencies in Czech Art of the 1920s." Surveys the most significant aspects of the artistic production from that decade.

DENMARK

Humblebaek Louisiana Museum of Modern Art, tel: (42) 19 07 18. To March 6: "Claude Monet: Works from 1880 to 1926." Features late works loaned by Musee Marmottan-Claude Monet in Paris and other museums and collections in Europe and the United States, including five paintings of the garden and Japanese bridge at Gi-



A 1957 photograph by Frank Horvat, from "Vanities" show in Paris.

venny, as well as Japanese woodcuts which were an important source of inspiration for Monet.

GERMANY

Berlin Deutsche Oper, tel: (30) 3 41 02 49. Verdi's "Ein Maskenball," conducted by Rafael Frubeck de Burgos, with Neil Shicoff/Mario Malagrin, Vladimir Chernov/Mario di Marzio and Mara Zampieri/Michele Onder. Dec. 19 (premiere), 23, 27, Jan. 4 and 7. Cologne Josef-Haubrich-Kunsthalle, tel: (221) 2 335. Continuing/To Jan. 2: "Von Malewitsch bis Kabakov: Die russische Avantgarde im 20. Jahrhundert." Features 600 paintings, collages, drawings, gouaches and photographs from the pre-Revolution era to the post-Stalinist reaction. Wallraf-Richartz-Museum, tel: (221) 2 379. Continuing/To Dec. 5: "Die Zeichnungen von Leonardo, Botticelli, Donatello und anderen Meister Italiens aus dem Musee des Beaux-Arts in Rennes." Features drawings from the Middle Ages to the 18th century. Frankfurt Schirn Kunsthalle, tel: (69) 29 98 82 11. To Jan. 2: "Leselust: Niederlandische Malerei des Goldenen Zeitalters von Rembrandt bis Vermeer." Dutch paintings of the 17th century in which written texts play a decisive role.

IRELAND

Dublin Irish Museum of Modern Art, tel: 718 666. To Jan. 16: "Max Ernst: Sculpture 1934-1974." Sculptures dating from Ernst's early work with Arp and Giacometti in the 1930s to the end of his working life in 1974.

ITALY

Florence Palazzo Medici-Riccardi, tel: (55) 55 27 60. Continuing/To Dec. 5: "Kasimir Malewitsch." Naples Real Teatro di San Carlo, tel: (83) 79 72 111. Rossini's "Mose in Egitto," conducted by Salvatore Accardo with Mariella Devoti, Roberto Scandoluzzi and Rockwell Blake. Dec. 10. Venice Palazzo Grassi, tel: (41) 52 31 680. Continuing/To Jan. 4: "The Unknown Modigliani." More than 400 drawings that were executed by the Italian artist Amedeo Modigliani between 1906 and 1924.

JAPAN

Mie Prefectural Art Museum, tel: (592) 27 21 00. To Dec. 5: "Italian Renaissance and Baroque Art from the State Heritage Museum." Focuses on Italian art between the 15th and 18th centuries and includes works by Giorgione, Titian and Canaletto. Tokyo Nezu Institute of Fine Arts, tel: (3) 400 25 36. To Dec. 23: "Ritaku Tame-take and other Yamato-e Painters." 50 Yamato-e paintings of the Edo Period.

SPAIN

Valencia IVMI Centre Julio Gonzalez, tel: (8) 386 30 00. To Jan. 23: "Henri Michaux." More than 100 works from the Surrealist artist's various creative periods, including early drawings and oils, watercolors on black background, ink drawings and works created under the influence of mesca-line. The exhibition will travel to Geneva in March 1994.

SWITZERLAND

Geneva Pesth Palais, tel: (22) 346 14 33. To Jan. 30: "De Matisse a Kandinsky." From Fauvism to Expressionism, works by Kandinsky, Matisse, Braque, Vlamnick, Dely and van Dongen. Zurich Opernhaus, tel: (1) 251 69 20. Richard Strauss's "Salome," conducted by Paul Weiskart in a Jonge-Italian art between the 15th and 18th centuries and includes works by Giorgione, Titian and Canaletto.

BOOKS

NEVER STOP RUNNING: Allard Lowenstein and the Struggle to Save American Liberalism

By William Chafe. Illustrated. 556 pages. \$28. Basic Books/HarperCollins. Reviewed by Christopher Lehmann-Haupt

ALLARD Lowenstein (1929-1981) may be remembered now as a man who never stopped running for congressional seats in and around New York City, and never stopped losing.

But in William Chafe's fascinating political and psychological biography, "Never Stop Running: Allard Lowenstein and the Struggle to Save American Liberalism," Lowenstein comes to life again as a Pied Piper for the young and idealistic and as a man who passionately believed in the possibility of reforming the system without tearing it apart.

Combining his avidity for reform with a strict anti-communism, Lowenstein was able to play a major role in three liberal crusades of the 1960s and '70s: the fight against apartheid in South Africa, the battle for civil rights that culminated in the Freedom Summer in Mississippi and the campaign against the U.S. role in Vietnam that led to President Lyndon B. Johnson's decision not to run again for office in 1968.

Chafe goes far beyond merely recounting these events. A professor of history at Duke University in Durham, North Carolina, and the author of "The American Woman," among many other books, he develops a theory that what lay beneath Lowenstein's prodigious talents as a liberal activist were two traumatizing secrets that undermined his sense of his own worth. The first was that his mother had died when he was a year old, a fact he did not learn until a decade later and was never allowed to discuss and was his dotting but demanding father. The second was that he was sexually attracted to other men.

WHAT THEY'RE READING

• **Carmen Alborca**, Spain's culture minister, is re-reading "Los versos del Capitan" by Pablo Neruda. "To return to this poet, and especially to one of his most joyful books, is always a captivating experience. It's going back to find his powerful, immense, torrential and unmistakable voice. It's a voice that seems to come from very far away, from the dawn of words and language." (Al Goodman, 1B7)

theory — proves useful up to a point in Chafe's handling. He employs it to explain the rise of Lowenstein's career to the climax of his astonishingly successful "Dump Johnson" campaign and its descent after the disaster of Robert F. Kennedy's assassination to the point where Lowenstein seemed to reveal in defeat.

Particularly acute is Chafe's explanation of why Lowenstein so often seemed to be on both sides of the fence, as for instance in his role as president of the National Student Association in the early 1950s, where he managed simultaneously to avoid and encourage the clandestine support of the Central Intelligence Agency.

Chafe's theory also proves promising as an organizing principle. In a typical chapter, he will begin by mentioning the illustrative incidents of a given period in Lowenstein's life, for example what he refers to in a chapter title as "1968: Year of Triumph, Year of Tragedy."

He will then describe those incidents in detail, in this case Lowenstein's failure to connect effectively with Senator Eugene J. McCarthy's presidential campaign after Johnson withdrew, his failed attempt to bring McCarthy and Senator Robert F. Kennedy together in a coalition and his only successful campaign, in the Fifth Congressional District, in New York's Nassau County.

Finally, Chafe will analyze how these public events related to what was going on in his subject's private life, always stressing that for Lowenstein there was no distinction between the political and personal. The trouble with this approach is

that as Chafe proceeds through his subject's life he does not come closer to any one of Lowenstein's psychological conflicts. For example, the precise effect of his mother's death. Instead the text merely takes the points that have already been made and shakes them into new patterns. A result is increasingly tedious confusion and repetitiveness.

Still, his book remains a highly intriguing portrait of an impossible man whose very nature helped him to achieve the impossible. Even his death had meaning in Chafe's scheme of things. Lowenstein was assassinated on March 14, 1981, by one Dennis Sweeney, a crazed former disciple who blamed Lowenstein for transmitting the tormenting voices that Sweeney insisted were being broadcast from his teeth.

Psychiatrists have since argued that Sweeney suffered from adult-onset schizophrenia and that therefore his rage was not based on anything to do with Lowenstein's habitual tendency to befriend young men and then drop them.

But Chafe points out that Lowenstein knew all too well that Sweeney was dangerous, yet thought he could handle him. As "Never Stop Running" concludes, Sweeney's madness was just one more impossibly difficult problem that Allard Lowenstein's tragic, heroic conviction he could solve.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott
The diagrammed deal, played Oct. 24 in a Long Island Swiss Team event, Rob Gordon of Northport, Long Island, led South. He heard his partner bid two no trump over one heart to show trump over the minor suits and eventually jumped to five diamonds. This was a slam invitation, in view of the earlier one bid, but North had no reason to accept. West led the club deuce, a conspicuous singleton, and South thought it over. The opening bid made it likely that West held the diamond king, and there was a clear danger of losing a diamond trick, a heart trick and a club ruff. South began by winning the club lead in his hand with the king and cashing the diamond ace. This was due to guarantee the contract if the king was singleton, or if West held a doubleton king. Looking at all four hands it is easy to see that a second trump lead would succeed, but it was far from clear at the table.

South's next move was to cash two spade winners and lead the spade ten. West covered with the jack, and South thought again. Since West had not led a heart, he was inclined to believe that West's suit was not solid. He visualized West's original hand as Q-J-x-x of spades; five strong hearts, not solid; K-x-x of diamonds, and a singleton club.

Against that layout, ruffing a spade would be fatal. If a trump lead followed, West would win with the king, lead a low heart to his partner, and score the decisive club ruff. South therefore made an intelligent play by throwing dummy's singleton heart. He thought he was

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NASDAQ

Thursday's Prices
NASDAQ prices as of 4 p.m. New York time. The list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12 Month High Low Stock Div Yld PE 100s High Low Latest Chg

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

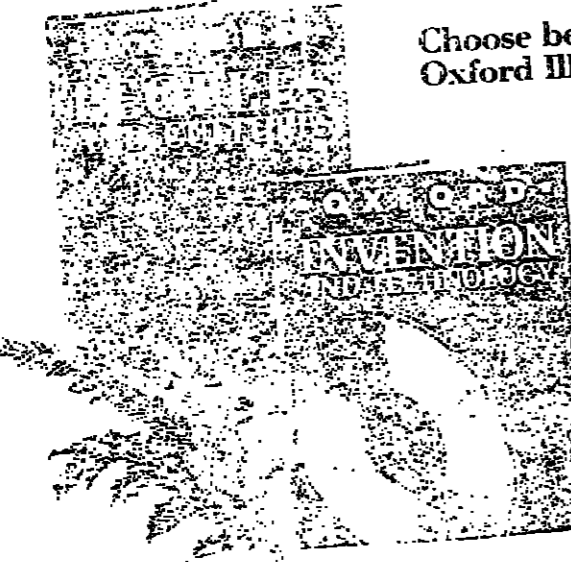
12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
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100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

12 Month High	Low	Stock	Div	Yld	PE	100s	High	Low	Latest	Chg
120	110	IBM	3.00	2.5	15	100	115	110	112	+2
100	90	Microsoft	0.00	0	15	100	95	90	92	+2
80	70	Oracle	0.00	0	15	100	75	70	72	+2
60	50	Amazon.com	0.00	0	15	100	55	50	52	+2
40	30	Yahoo	0.00	0	15	100	35	30	32	+2

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Great Britain	210	115
Canada	75,000	41,000
Ireland	230	125
Italy	500,000	275,000
Japan	14,000	7,700
Latvia	770	420
Netherlands	3,500	1,900
Norway	47,000	26,000
Portugal	48,000	26,500
Spain	55,000	27,500
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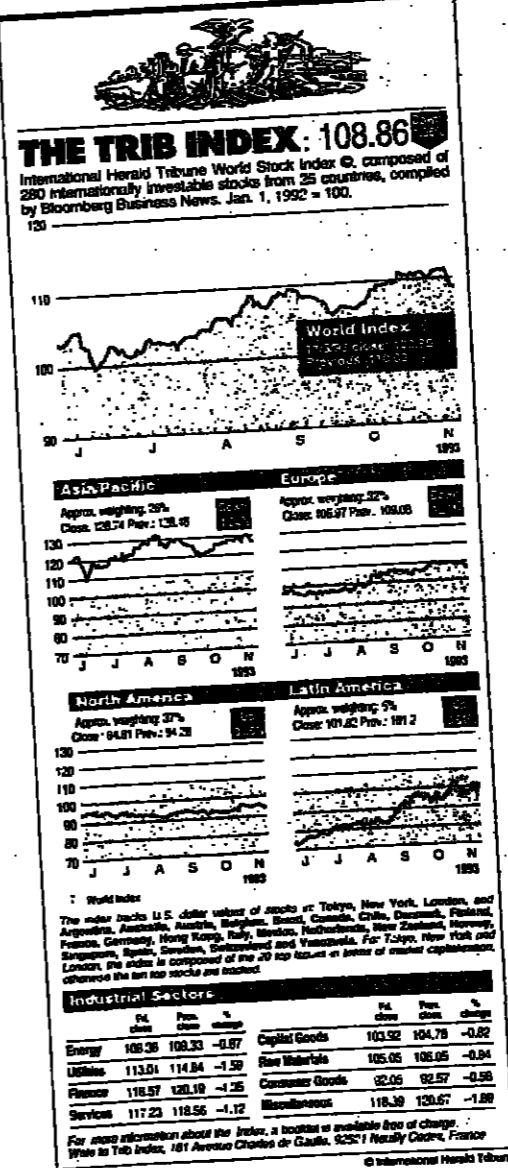
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Herald INTERNATIONAL Tribune

سكدا من الأمل

AMEX

Thursday's Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last, Chg. Lists various stocks and their performance.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last, Chg. Continuation of stock listings.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last, Chg. Continuation of stock listings.

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Notes: Sales figures are unaudited. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the split-adjusted price. Dividend data is provided for various stocks.

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Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Dr Yld PE Ratio

12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
120.00	110.00	IBM	115.00	4.5	15.0
100.00	90.00	Microsoft	95.00	5.0	12.0
80.00	70.00	Apple	75.00	4.0	18.0
60.00	50.00	Oracle	55.00	3.5	20.0
40.00	30.00	Amazon	35.00	2.5	25.0
20.00	15.00	Google	18.00	2.0	30.0

12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
150.00	140.00	AT&T	145.00	5.5	10.0
130.00	120.00	Verizon	125.00	6.0	9.0
110.00	100.00	WorldCom	105.00	6.5	8.0
90.00	80.00	Sprint	85.00	7.0	7.0
70.00	60.00	Qwest	65.00	7.5	6.0
50.00	40.00	Level 3	45.00	8.0	5.0

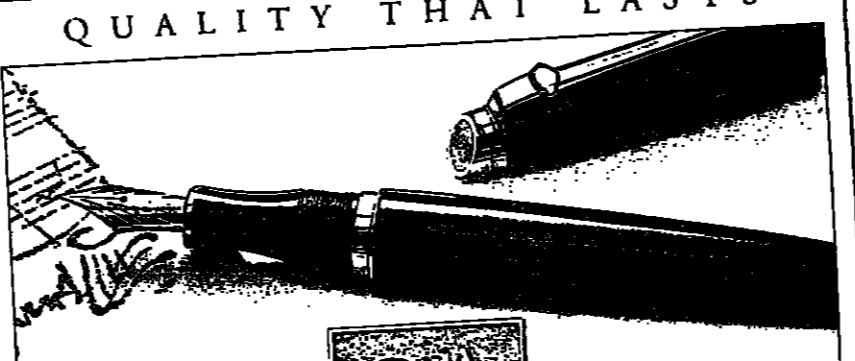
12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
100.00	90.00	Bank of America	95.00	5.0	12.0
90.00	80.00	Wells Fargo	85.00	5.5	11.0
80.00	70.00	Citigroup	75.00	6.0	10.0
70.00	60.00	JPMorgan Chase	65.00	6.5	9.0
60.00	50.00	Goldman Sachs	55.00	7.0	8.0
50.00	40.00	JP Morgan	45.00	7.5	7.0

12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
120.00	110.00	Exxon	115.00	4.0	15.0
110.00	100.00	Shell	105.00	4.5	14.0
100.00	90.00	BP	95.00	5.0	13.0
90.00	80.00	Amoco	85.00	5.5	12.0
80.00	70.00	Conoco	75.00	6.0	11.0
70.00	60.00	Phillips 66	65.00	6.5	10.0

12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
150.00	140.00	General Electric	145.00	5.0	12.0
140.00	130.00	Westinghouse	135.00	5.5	11.0
130.00	120.00	Lockheed Martin	125.00	6.0	10.0
120.00	110.00	Boeing	115.00	6.5	9.0
110.00	100.00	Raytheon	105.00	7.0	8.0
100.00	90.00	Northrop Grumman	95.00	7.5	7.0

12 Month High	12 Month Low	Stock	Dr	Yld	PE Ratio
100.00	90.00	3M	95.00	4.0	15.0
90.00	80.00	Honeywell	85.00	4.5	14.0
80.00	70.00	Rockwell International	75.00	5.0	13.0
70.00	60.00	Johnson Controls	65.00	5.5	12.0
60.00	50.00	Eastman Kodak	55.00	6.0	11.0
50.00	40.00	Amgen	45.00	6.5	10.0

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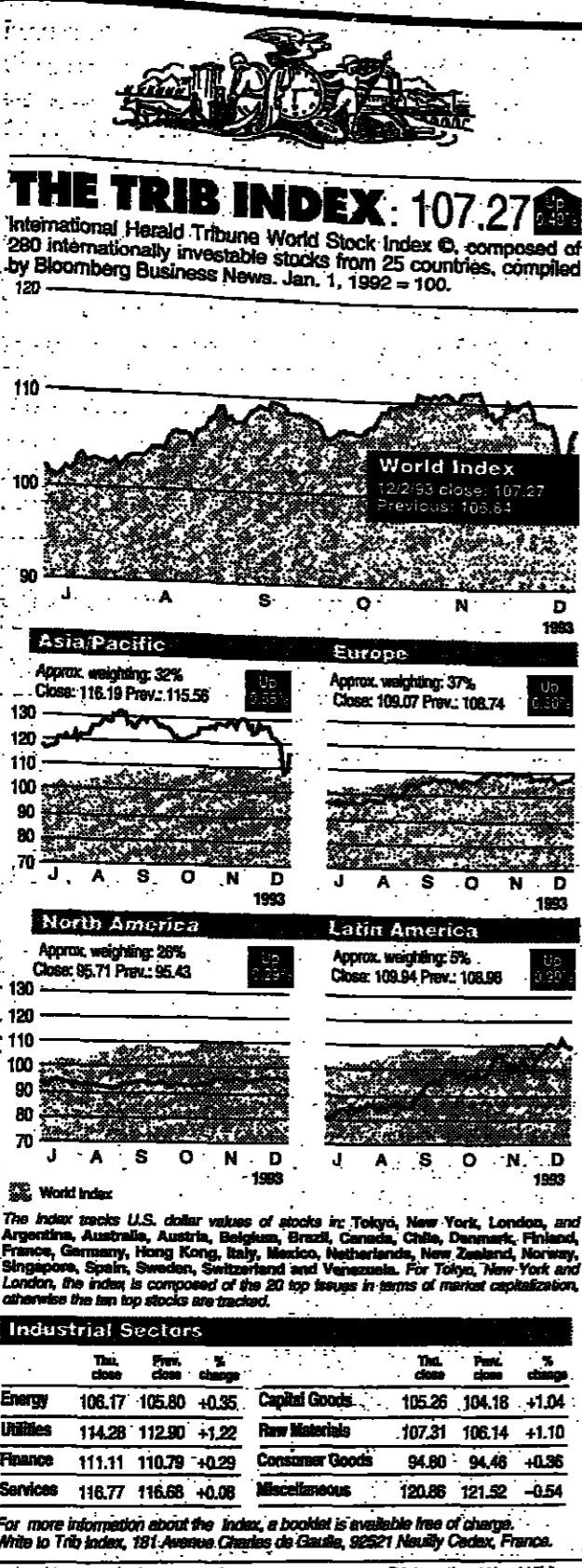
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THE TRIB INDEX

Thinking Time

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Germany Lowers Repo Cost

Discount Rate Left Untouched

By Brandon Mitchener
International Herald Tribune
FRANKFURT — The Bundesbank left its benchmark discount rate unchanged on Thursday, but lowered an arguably more important market rate by 0.25 percentage point in what observers said was both good news for the German economy and a hint at further "official" rate cuts to come.

"For the economy, the cut in the repo rate is more important than a cut in the discount rate would have been," said Jürgen Sarrazin, chairman of Dresdner Bank AG.

The securities repurchase or repo rate, which the Bundesbank fixed at 6 percent through Jan. 5, affects market borrowing rates more directly than the discount rate, at which banks can borrow only a limited amount of cheap funds.

Because the latest repo, allocated Wednesday, cost 6.25 percent, the Bundesbank's move amounted to an immediate easing even though it left the discount rate unchanged at 5.75 percent. The Lombard rate, which plays a minor role when interest rates are declining, was also left unchanged at 6.75 percent.

For Germany's neighbors, Thursday's move was as good as an official rate cut. Belgium, Denmark and the Netherlands reduced their interest rates accordingly and analysts said France might soon follow suit.

Frankfurt stocks surged following the news, with the DAX index jumping 20.66 points or about 1 percent to a record 2,110.53.

The Bundesbank's action, which followed a pattern of cautious easing all year, "sets the stage for another official rate cut, most likely in early 1994, if not before," argued Kermit Schoenholtz, an economist at Salomon Brothers International in London.

The main reason to delay is uncertainty about the inflationary impact of upcoming wage bargaining rounds in the key engineering and public sectors, he said.

Market players praised the move.

See BUNDESBANK, Page 12

A Split Widens in China

New Firms Leave State Sector Behind

By Patrick E. Tyler
New York Times Service
ANSHAN, China — Ge Yali, a former city planner who has resigned an unprofitable state bicycle factory, describes himself as a Communist Party capitalist. In China's new market economy, he is fearless about dismissing workers and tossing them into the overburdened welfare system.

His role models for ruthlessness in business are Mao Zedong and Hitler, both of whom, he says, understood that to win, you have to hire soldiers who are hungry and from the countryside.

A quarter of his 4,000 workers are peasants from China's interior seeking salvation in the booming coastal provinces. Mr. Ge, 49, provides them with coats in a dormitory and with tryouts. If they produce their quota of bikes each day, they can stay. If not, they are dismissed.

"The market system says someone has to survive and someone has to die," Mr. Ge said. "In 1991, this factory faced closing, but I fired 1,500 workers and we rescued this place."

In China's northeastern industrial heartland, Mr. Ge's testimony to market economics is a bit out of place and underscores some of the contradictions that exist in the country's rapidly changing industrial sector.

Most factory managers around here do not welcome the idea of economic independence. In interviews at a number of huge state enterprises, most production bosses said it would be "impossible" for their factories to stand on their own.

See CHINA, Page 15

Sony's Morita Incapacitated After Surgery

By Andrew Pollack
New York Times Service
TOKYO — Akio Morita, the co-founder and chairman of Sony Corp. and the leading statesman of Japan's business community, has suffered a cerebral hemorrhage that will force his withdrawal, at least temporarily, from activities at his company and from his increasingly prominent role as soother of the tense trade relations between the United States and Japan.

Sony said Thursday that Mr. Morita had been taken to a Tokyo hospital Tuesday morning after feeling ill while playing tennis. His condition was diagnosed and he underwent immediate surgery to remove blood from his brain.

The four-hour operation went well and "his recovery is quite satisfactory," said Tsumo Hashimoto, a deputy executive president at Sony. But he said it was too early to say when, or if, Mr. Morita would be able to resume business activities.

What was left unsaid is that it seems probable that the 72-year-old executive will be out for several months at least. Meanwhile, the Tokyo business world was abuzz with rumors Mr. Morita, who built Sony into one of the world's most innovative companies, would have to retire.

Mr. Hashimoto said there was as yet no indication that Mr. Morita would step down. He said the chairman, who is in intensive care, has not been able to speak but has been able to respond to his name by squeezing someone's hand.

Sony executives and analysts say that Mr. Morita has not been actively involved in day-to-day operations at Sony since 1989, when he became chairman and passed the presidency to Norio Ohga. For that reason, they said, there would be little immediate impact on the company. Sony's stock rose 70 yen, to 4,930 yen (\$45.23), on the Tokyo Stock Exchange on Thursday.

Still, Mr. Morita is what Mr. Hashimoto called the "psychological backbone" of Sony. His absence would come as the electronics giant, with \$34 billion in sales last year, is facing one of its toughest periods since the company was started in a bombed-out Tokyo department store in 1946.

Like other Japanese electronics companies, Sony is beset by the slump in Japan's economy, the strength of the yen which makes exporting difficult, and a lack of hit products. Mr. Ohga turns 64 next month. So it might not be too many years before the company undergoes another transition.

Mr. Morita is also likely to be missed in the broader business and political arena, where he has been outspoken in urging Japanese companies to halt practices viewed as unfair in the West and where he has helped calm friction between Japan and its trading partners.

Mr. Morita is the co-chairman of the U.S.-Japan Business Council, a group of executives from both sides of the Pacific that works to solve trade problems. He has also been considered a leading candidate to become chairman of Keidanren, Japan's most powerful business lobbying organization, when the current chairman retires next spring.

Mr. Morita would be an unusual choice for Keidanren because he is still viewed by the Japanese business establishment as a maverick. Indeed, Mr. Morita, who is no doubt the most famous Japanese businessman outside of Japan, is more revered abroad than at home.

It is unclear why Sony waited until two days after Mr. Morita's surgery to make the news public and

See SONY, Page 15

Kmart to Sell PayLess Drug

Compiled by Our Staff From Dispatches
TROY, Michigan — Kmart Corp. said Thursday it had agreed to sell its PayLess Drug Stores Northwest Inc. division to TCH Corp., owner of Thrifty Drug Stores, for more than \$1 billion in cash and securities.

TCH is a Los Angeles-based retailer that owns Thrifty as well as Bi-Mart Corp., Gart Bros. Sporting Goods and MC Sporting Goods.

PayLess, based in Wilsonville, Oregon, operates 572 stores in a dozen Western states. Thrifty operates 494 stores in California. The combined company would be one of the largest U.S. drugstore chains.

Kmart, a leading discount-store retailer, bought PayLess in 1985.

Kmart has been trying for months to find buyers for some of its less well-performing subsidiaries and has sold some to rivals such as Wal-Mart Stores Inc. It recently got out of the warehouse-retailing business, selling 91 PACE stores to Sam's Club, which is owned by Wal-Mart. It plans to sell or close the remaining 22 PACE outlets.

The Kmart chairman, Joseph Antonini, said the PayLess sale would allow the company to concentrate on its specialty businesses, which have been showing more vigorous growth.

Under terms of the sale, which is subject to obtaining financing and to regulatory and antitrust clearance, TCH will pay Kmart with \$592 million in cash, \$100 million in debt securities and a 47 percent equity stake in TCH.

TCH will also assume or refinance about \$170 million in debt.

Kmart said it would take an after-tax charge of about \$100 million in connection with the transaction, which is expected to close by the end of the first quarter.

Kmart has planned to sell minority stakes in its specialty-store businesses to raise cash to help with a \$3 billion renovation intended to stem its decline in market share. Those businesses include Sports Authority sporting-goods stores, Borders book stores, OfficeMax office-supply stores and Builders Square home-improvement centers.

Kmart plans to concentrate on its more successful specialty chains as well as its main business, its mass-merchandise outlets, which have been losing ground to Wal-Mart's stores, Dayton Hudson Corp.'s Target stores and smaller discount-store operators in some regions.

Kmart operates more than 4,000 stores in North America, the Czech Republic and Slovakia. (AP, UPI, Knight-Ridder, Bloomberg)

Thinking Ahead

Take Care to Keep GATT Path Open

By Reginald Dale
International Herald Tribune
WASHINGTON — With less than two weeks until the Uruguay Round deadline, an unfortunate complication has arisen in Washington. The administration has suddenly realized that it may be hard to drum up enthusiasm in the American business community for the round's outcome.

If it fails to win full backing from business, President Bill Clinton could face a bruising fight in Congress, like the agonizing struggle over the North American Free Trade Agreement — which business heavily supported.

The nervousness in Washington is leading to some erratic activity by U.S. negotiators in Geneva as they attempt to win extra concessions for American companies before it is too late. But the tactics are isolating the United States and are likely to be counterproductive.

Until very recently, the consensus in Washington was that, unlike NAFTA, the Uruguay Round would breeze happily through Congress. But now that the NAFTA battle is over, critics of the administration's stance in the GATT negotiations are rapidly emerging from the woodwork, and they need to be taken seriously.

The critics say the administration is about to sell American business and American workers down the river by allowing foreign countries even easier access to the already-open U.S. market without gaining significantly greater access to the foreigners' closed markets in return.

The administration is about to allow GATT to weaken U.S. laws against unfair trade, making it much harder for Washington to pry open those markets in the future.

Many of these charges are exaggerated. But there is a big enough kernel of truth in them to make them potentially damaging.

Nowhere is this more true than in the market for financial services, such as banking, insurance and investment, where the United States had originally hoped to make big gains.

Washington particularly wants to unlock the doors to Japan, the booming countries of East Asia and other developing countries. So far, however, these countries have made totally inadequate negotiating offers.

So the United States is trying to twist arms by proposing a controversial "two-tier" approach: Only countries that had given the

Washington is right to want Asian markets to be more open to foreign financial institutions.

United States comparable access to their own markets would be able to benefit from improved access to the American market in the future, for example when restrictions on interstate banking are relaxed.

That, of course, breaches the hallowed GATT principle of most-favored-nation treatment, in which the privileges made available to the most-favored nation are made available to all with comparable status. When the European Community proposed something like it a few years ago, it was bitterly attacked by none other than the United States for seeking to construct a Fortress Europe.

The plan is backfiring because, in response, the other countries are withdrawing even their limited earlier offers. Many of them do not see why they should have to open up their markets to gain access to the American market when they have little intention of doing business in the United States anyway. There is a real risk that the service-sector negotiations could unravel.

The United States is not making matters easier by clumsily trying to evade a GATT commitment not to impose discriminatory taxes on foreign subsidiaries supplying services in the United States. Partly the result of a turf battle between tax and trade officials in Washington, the U.S. position is causing unnecessary anger and disruption in Geneva.

But if Washington's tactics are wrong, its overall aim is right. Japan and the East Asian countries have grown rich on the American market, as others no doubt will. It is unrealistic to expect gratitude for that.

But it is in Asia as much as America's interest to liberalize the world trading system and promote global economic growth. That means opening emerging markets to American and European financial institutions, just as much as opening developed-country markets to goods from the rest of the world.

The way out of this impasse is for Japan and other Asian countries to improve their offers, allowing the United States to drop its two-tier approach. The United States should retreat gracefully on taxes.

Meanwhile, back in Washington, the administration should not make the same mistake it made over NAFTA and wait until the last minute to prepare the ground for ratification. It should start pre-empting the critics now, before they gain too much momentum. The agreement that looks likely to emerge will be far from perfect, but it will be the only one we have. It must not be allowed to fail.

Most New U.S. Jobs Are White-Collar

By Steven Greenhouse
New York Times Service
WASHINGTON — While many Americans believe that most new jobs are going to hamburger flippers and discount-store clerks, the reality is surprisingly different: more than three-fifths of the new jobs created over the last year have gone to managers and professionals.

As thousands of former middle managers at International Business Machines Corp., General Motors Corp. and other corporate giants can attest, white-collar workers were hit especially hard in the recent recession. But government statistics show a steady climb in the hiring of white-collar workers.

Even though managers and professionals such as physicians and accountants make up only 27 percent of the U.S. work force, they have landed more than 60 percent of the 2.2 million net new jobs created over the last year. At the same time, the hiring of blue-collar employees has been largely stagnant.

The way economists and corporate executives put it, so many companies squeezed out so many managers during the recent slump that the demand for them rebounded as the economy and corporate America expanded over the last year.

"Because of the recession, there was pent-up demand for managers," said Patrick Pittard, managing partner of Heidrick & Struggles, one of the largest U.S. executive search firms. "Many companies that did without executives for a year or two couldn't stand it any more. They had to fill that slot they left unfilled for so long."

Labor Secretary Robert B. Reich said this pickup in white-collar hiring pointed to profound economic changes that bode ill for unskilled workers, because such a high percentage of new jobs require college and graduate business degrees or other sophisticated training.

"The recent recession had unusually high levels of unemployment for white-collar workers," said Mr. Reich. "But white-collar jobs are coming back. Long-term demand is shifting in favor of people with greater skills."

Typical of this trend is what is happening at Wachovia Corp., a bank holding company in Winston-Salem, North Carolina. It has hired 250 management trainees over the last year and plans to hire another 250 next year, even as it lays off some tellers and data-processing personnel whose work has been automated.

Kenneth Torreyson, Wachovia's director of human resources, said many trainees were being hired to work on mutual funds and infor-

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The principal amount of bonds outstanding after the amortization of January 15, 1994 will be US\$33,500,000.

Luxembourg, December 3, 1993

NOTICE OF REDEMPTION TO THE HOLDERS OF

EUROPEAN COAL AND STEEL COMMUNITY

US\$50,000,000 Graduated Rate Bonds due 1999

NOTICE IS HEREBY GIVEN that in accordance with condition (b) of the Terms and Conditions of the Notes, the Commission of the European Communities will proceed to the early redemption of the total of the outstanding Notes at 101% of their principal amount on January 15, 1994.

Interest on the Notes will cease to accrue on and after the Redemption Date.

Luxembourg, December 3, 1993

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American	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
London	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Paris	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Frankfurt	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Geneva	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Brussels	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Madrid	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Barcelona	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Amsterdam	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Stockholm	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Oslo	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Copenhagen	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Helsinki	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Turkey	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
India	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Japan	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
South Africa	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Other	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

Key Money Rates									
	1 month	3 months	6 months	1 year	1 year	1 year	1 year	1 year	1 year
London	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Paris	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Frankfurt	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Geneva	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Brussels	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Madrid	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Barcelona	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Amsterdam	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Stockholm	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Oslo	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Copenhagen	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Helsinki	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Turkey	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
India	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Japan	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
South Africa	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Other	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25

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MARKET DIARY

Investors Cautious Ahead of Jobs Data

NEW YORK — The stock market was mixed on Thursday, with most investors taking a cautious stance ahead of Friday's U.S. unemployment data. The Dow Jones industrial average edged up 5.03 points, to 3,702.11.

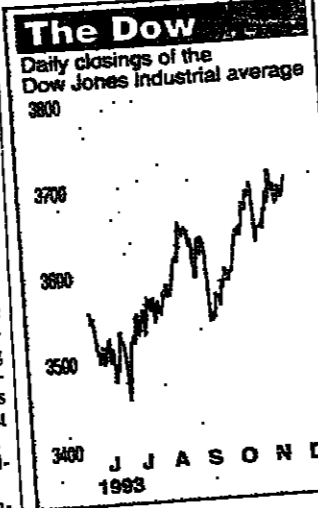
Dollar Remains Steady In Wake of Rate Moves

NEW YORK — The dollar was little changed Thursday against the Deutsche mark and the yen, after giving up slight gains that followed a marginal relaxation of some interest rates in Europe.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, Paris, Singapore, Stockholm, Toronto, Zurich, and others. Columns include stock names, prices, and changes.

The Dow



Daily closings of the Dow Jones industrial average 3000

NYSE Most Active

Table of NYSE most active stocks including General Electric, IBM, and others, with columns for volume, price, and change.

Amex Diary

Table of Amex diary stocks including American Express, Amgen, and others, with columns for price and change.

NASDAQ Diary

Table of NASDAQ diary stocks including American Online, America Online, and others, with columns for price and change.

Dow Jones Averages

Table of Dow Jones averages including Industrial, Transportation, and Composite, with columns for high, low, and change.

Standard & Poor's Indexes

Table of Standard & Poor's indexes including Industrial, Transportation, and Composite, with columns for high, low, and change.

NYSE Indexes

Table of NYSE indexes including Composite, Industrial, and Transportation, with columns for high, low, and change.

NASDAQ Indexes

Table of NASDAQ indexes including Composite, Industrial, and Transportation, with columns for high, low, and change.

AMEX Stock Index

Table of AMEX stock index including Composite, Industrial, and Transportation, with columns for high, low, and change.

Dow Jones Bond Averages

Table of Dow Jones bond averages including 30 Bonds, 10 Industrials, and 10 Government, with columns for high, low, and change.

Market Sales

Table of market sales including NYSE, Amex, and NASDAQ, with columns for volume and value.

N.Y.S.E. Odd-Lot Trading

Table of N.Y.S.E. odd-lot trading including Buy and Sell volumes for various stocks.

S&P 100 Index Options

Table of S&P 100 index options including Call and Put options for various strikes and expirations.

EUROPEAN FUTURES

Table of European futures including Food, Metals, and Financial, with columns for high, low, and change.

COCA (LCE)

Table of COCA (LCE) futures including various contracts and prices.

WHITE SUGAR (Mett)

Table of WHITE SUGAR (Mett) futures including various contracts and prices.

ALUMINUM (High Grade)

Table of ALUMINUM (High Grade) futures including various contracts and prices.

WORLD COPPER (MCCO)

Table of WORLD COPPER (MCCO) futures including various contracts and prices.

WORLD GOLD (MCCO)

Table of WORLD GOLD (MCCO) futures including various contracts and prices.

WORLD SILVER (MCCO)

Table of WORLD SILVER (MCCO) futures including various contracts and prices.

WORLD PLATINUM (MCCO)

Table of WORLD PLATINUM (MCCO) futures including various contracts and prices.

WORLD PALLADIUM (MCCO)

Table of WORLD PALLADIUM (MCCO) futures including various contracts and prices.

WORLD NICKEL (MCCO)

Table of WORLD NICKEL (MCCO) futures including various contracts and prices.

WORLD ZINC (MCCO)

Table of WORLD ZINC (MCCO) futures including various contracts and prices.

WORLD LEAD (MCCO)

Table of WORLD LEAD (MCCO) futures including various contracts and prices.

WORLD TIN (MCCO)

Table of WORLD TIN (MCCO) futures including various contracts and prices.

WORLD CADAM (MCCO)

Table of WORLD CADAM (MCCO) futures including various contracts and prices.

WORLD URANIUM (MCCO)

Table of WORLD URANIUM (MCCO) futures including various contracts and prices.

WORLD COBALT (MCCO)

Table of WORLD COBALT (MCCO) futures including various contracts and prices.

WORLD MANGANESE (MCCO)

Table of WORLD MANGANESE (MCCO) futures including various contracts and prices.

WORLD CHROME (MCCO)

Table of WORLD CHROME (MCCO) futures including various contracts and prices.

WORLD VANADIUM (MCCO)

Table of WORLD VANADIUM (MCCO) futures including various contracts and prices.

WORLD MOLYBDENUM (MCCO)

Table of WORLD MOLYBDENUM (MCCO) futures including various contracts and prices.

WORLD TUNGSTEN (MCCO)

Table of WORLD TUNGSTEN (MCCO) futures including various contracts and prices.

WORLD NIOBIUM (MCCO)

Table of WORLD NIOBIUM (MCCO) futures including various contracts and prices.

GERMAN GOVERNMENT BOND (LIFFE)

Table of German government bond (LIFFE) futures including various contracts and prices.

Stock Indexes

Table of stock indexes including DAX, Nikkei, and others, with columns for high, low, and change.

Industrials

Table of industrial stocks including various companies and prices.

Spot Commodities

Table of spot commodities including various goods and prices.

Dividends

Table of dividends for various companies including dates and amounts.

U.S. FUTURES

Table of U.S. futures including various contracts and prices.

Grains

Table of grain futures including various contracts and prices.

Metals

Table of metal futures including various contracts and prices.

Livestock

Table of livestock futures including various contracts and prices.

Financial

Table of financial futures including various contracts and prices.

Food

Table of food futures including various contracts and prices.

Stock Indexes

Table of stock indexes including DAX, Nikkei, and others, with columns for high, low, and change.

Commodity Indexes

Table of commodity indexes including various goods and prices.

Stock Indexes

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Stock Indexes

Table of stock indexes including DAX, Nikkei, and others, with columns for high, low, and change.

U.S./AT THE CLOSE

Spending Outpaces Income Growth

WASHINGTON (Combined Dispatches) — Personal income rose 0.6 percent in October, the Commerce Department said Thursday, but consumer spending grew even more quickly, reinforcing a report this week that showed rising confidence in the economy.

Chrysler Raises Its Dividend 33%

DETROIT (Combined Dispatches) — Chrysler Corp., buoyed by strong operating results and upgrades of its debt, raised its dividend 33 percent Thursday, its first increase since cutting the payout in half in 1991.

P&G to Buy German Tissue Maker

FUERTEH, Germany (Bloomberg) — Procter & Gamble Co. will buy VP-Schickedanz AG from Gustav & Grete Schickedanz Holding KG in 1994, the German company said.

BTR Agrees to Buy Remond Corp.

LONDON — BTR PLC said it would buy Remond Corp., a Milwaukee-based maker of industrial and aerospace equipment, for about \$240 million, or \$22.50 a share.

Capital Cities/ABC Share Buyback

NEW YORK (Reuters) — Capital Cities/ABC Inc. said Thursday that it will buy back a total of 2 million shares.

For the Record

Prime Minister Jean Chretien said Canada would proclaim the North American Free Trade Agreement with the United States and Mexico into law on Jan. 1 as scheduled, despite reservations about some of its provisions.

More Cut-Work for IT Workers

COLLAPSE

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More Cuts Seen For VW Workers

Compiled by Our Staff From Dispatches

HAMBURG — The personnel manager for the German carmaker Volkswagen AG told employees at its headquarters in Wolfsburg that a recently announced cut in working hours through the introduction of a four-day work week would not be sufficient to save 30,000 endangered jobs, according to a statement issued Thursday.

Peter Hartz also said that the "weak sales outlook" for 1994 and 1995 would require further production cuts at the company's plants in Germany. He said it was important to increase VW's productivity to world market levels.

He said that negotiations would begin soon with employees' representatives about two additional cost-cutting plans.

One plan would have workers attend seminars and various education programs for a couple of months a year.

The other approach would have new employees start working only a few hours a week and gradually increase their schedules to a work week of 28.8 hours, while elderly workers would retire slowly through a gradually decreasing work week.

On Nov. 25, management and employee representatives agreed to introduce a four-day work week beginning on Jan. 1, cutting the work week to 28.8 hours from 36 hours for a period of two years in order to save jobs. At the same time, it was agreed that pay would be cut by 10 percent.

Klaus Volkert, an employees' representative, said his committee would oppose any increase in the company's factories abroad or a decrease of the facilities in Germany.

Mr. Hartz said that job losses could not be expected to serve as the sole answer to the company's current difficulties. (Knight-Ridder, APX)

Dresdner Bank Reveals Details Of Equity Stakes

FRANKFURT — Dresdner Bank AG, Germany's second-largest bank, revealed Thursday the size of several of its major stock holdings, including a 10.1 percent stake in the reinsurer Münchener Rückversicherungs-Gesellschaft and a 17.1 percent holding in the mail order house Oppermann Versand AG.

The bank, which like most German banks has sizable holdings in major domestic blue-chip equities, has in the recent past revealed other major holdings which had previously only been estimated.

The bank said it had bought a 0.9 percent stake in Banque Nationale de Paris in the course of the French bank's recent privatization.

The bank also announced Thursday that its operating profit for the first 10 months of 1993 had risen 22.5 percent to 1.6 billion Deutsche marks (\$930 million). It said it expected to lift its 1993 dividend to 15 DM a share from 12 DM for 1992. (Bloomberg, Reuters)

Brand Focus Aids Grand Met

Compiled by Our Staff From Dispatches

LONDON — Grand Metropolitan PLC, the food and beverage conglomerate, reported strong operating results Thursday for the financial year that ended Sept. 30, but its overall profit was diminished by restructuring and bad-debt charges.

The company said its strategy of focusing on global brands pushed operating profit up 4 percent after stripping out beneficial effects of currency fluctuations and acquisitions. Its operations include Burger King, Haagen-Dazs ice cream, Pillsbury products, Smirnoff vodka and Pearle Vision optical stores.

Grand Met's pretax profit fell 31 percent, to £630 million (\$935.2 million) from £915 million the previous year, and its net income dropped 33 percent, to £413 million. But pretax profit would have been £916 million if not for £286 million of one-time charges.

Grand Met also had an £86 million charge related to its sale of betting units in 1989 to Brent Walker Group PLC, the debt-leisure concern taken over by its bankers in 1992. Brent still owes £66 million plus interest of the £685 million it agreed to pay.

Alex Oldroyd, an analyst at Société Générale Strauss Turinelli, said she was considering a small rise in her forecast of £980 million pretax profit for this year. "All

Sales rose 15.3 percent, to £7.58 billion, and the results were in line with market estimates. The dividend was raised to 13 pence per share from 12.3 a year earlier. Grand Met stock rose 12 pence, to 428 pence, in London trading.

sections of the company have seen progress," she said, adding that following recent asset disposals, the company was "more focused" and positioned to "generate lots of cash." (Reuters, APX)

Hanson Hit by Strike
Hanson PLC, the British-American conglomerate, said pretax profit fell 20.9 percent, to £1.02 billion, in its 1993 financial year to Sept. 30, reflecting a strike at its Peabody Coal Co. unit, news agencies reported from London.

Hanson said it would offer its Beazer homebuilding operations to investors in initial public offerings in the United States and Britain. It said it was planning a program of asset sales to reduce debt and that a "positive recovery" was evident in most of its markets.

Sales from continuing operations rose to £9.53 billion from £8.49 billion, and Hanson left its annual dividend at 11.4 pence per share. (Bloomberg, APX)

German Rail Privatization Approved

Reuters

BONN — The German parliament approved legislation Thursday to start privatizing its unprofitable national railways next year.

Government and opposition parties approved a constitutional amendment and a package of laws merging Western Germany's Deutsche Bundesbahn and Deutsche Reichsbahn of Eastern Germany.

At first, Deutsche Bahn AG will be a 100 percent state-owned company with three divisions: track, freight and passenger service. In 2002, the government plans to privatize each one. Different operators will compete to use the same track.

The government is taking on the railways' debt of about 70 billion Deutsche marks (\$40.7 billion) and will pay for upgrading Eastern Germany's battered rail network.

Transport Minister Matthias Wissmann said the reform would ultimately save money and improve service. It also represented a revolution for the railways, whose employees have been civil servants.

"Breaking the shackles of civil service law alone will bring the overall cost reduction of nearly 60 billion DM over 10 years," he said.

The railways are expected to show a combined loss of more than 14 billion DM this year. The government hopes privatization will make the railways more efficient and enable them to win passengers and freight away from the country's clogged highway network.

Deutsche Bundesbahn's share of Western German goods traffic has fallen by more than half, to 18 percent, in the last 30 years.

Investor's Europe

Exchange	Index	Thursday Close	Prev. Close	% Change
Frankfurt DAX		2,110.53	2,089.78	+0.99
London FTSE 100 Index		3,223.98	3,233.20	-0.29
Paris CAC 40		2,160.45	2,153.98	+0.30
Amsterdam CBS Trend		138.30	138.20	+0.07
Brussels Stock Index		7,174.23	7,157.75	+0.23
Frankfurt DAX		2,110.53	2,089.78	+0.99
Frankfurt FAZ		808.65	800.92	+0.97
Helsinki HEX		1,551.79	1,532.17	+1.28
London Financial Times 30		2,445.50	2,457.20	-0.48
London FTSE 100		3,223.98	3,233.20	-0.29
Madrid General Index		301.26	297.16	+1.38
Milan MIB		1,210.00	1,201.00	+0.75
Paris CAC 40		2,160.45	2,153.98	+0.30
Stockholm Affarsvaerden		1,585.40	1,558.99	+1.63
Vienna Stock Index		459.70	455.58	+0.90
Zurich SBS		956.57	952.30	+0.45

Sources: Reuters, AFP International Herald Tribune

Very briefly:

- Royal Bank of Scotland Group PLC shares surged 29 pence, to 424 pence, after it raised its dividend for fiscal 1993 by 25 percent and reported more than a 20-fold increase in pretax earnings. The bank earned £265 million (\$392 million) in the year to Sept. 30, up from £13 million.
- Racal Electronics PLC said it posted a £388,000 loss in its financial first half, which ended Oct. 8, compared with a £23.2 million profit a year earlier. It cited a loss on discontinued operations.
- Mercury Communications Ltd. said it expects to gain about £50 million in the year ending March 31, as a result of a decision by the Office of Telecommunications, or OfTel, on interconnection charges.
- French car production fell 32 percent in October from a year earlier, the French carmakers' association said. That represents a 15.2 percent decline so far this year.

COLLAPSE: VOLVO: Revolt Scuttles Plan to Merge With Renault

Continued from Page 1

national Institute for Management Development in Lansanne, Switzerland. "It signaled that ultimate decisions regarding Renault-Volvo would be made for political rather than economic reasons."

He said warnings that Swedish jobs would be imperiled by the deal were probably well-founded.

"Continuing to produce cars in Gothenburg is questionable," Mr. Tancker said, referring to Volvo's headquarters city. "The Swedes would have been sacrificial lambs."

Philippe Haspeslagh, professor of business policy at France's first business school in Fontainebleau, said Renault may have wittingly sabotaged the deal by exploiting its position of strength during the negotiations, which ended with a plan for Renault to own 65 percent against Volvo's 35 percent in the joined company.

"Volvo came to the negotiations in a weak position, and the French took advantage," Mr. Haspeslagh said. "If one party takes too much advantage of another, it comes back to haunt you. There has to be a certain amount of give by the stronger party in order to make these things work."

Another factor in the deal's collapse, he said, could be traced to a personal battle between Volvo's chairman, Pehr Gyllenhammar, and the Swedish financial and industrial establishment, which ended with the executive's resignation Thursday night.

"It was a bit of a witchhunt to get Gyllenhammar, who was suspected of empire-building," he said. "With the Renault deal, it looks like he went a bridge too far."

A shift in economic conditions at the two companies also had a strong part in the deal's collapse, which began to build a few weeks after the original deal was signed in September. Strong operating earnings for October, leaked out this week, indicated that a rationalization plan undertaken earlier, a devaluation of the Swedish currency and an upturn in the U.S. and British car markets were contributing to a bright profit outlook.

"There was a lot more life in Volvo than everyone believed a few years ago," said Edmund Chew, automotive analyst with Nomura Securities in London. "In the end, Volvo just wasn't weak enough to be taken over."

Analysts say that the Swedish carmaker may experience a few good years, but that it will then end up back where it started, needing a major infusion of capital.

In his resignation, Mr. Gyllenhammar called Volvo "a wounded company" and warned that the cancellation of the merger "reduces the probability of a Swedish presence in Europe and for Volvo's long-term survival."

Mr. Gyllenhammar said. "Management has not quite been able to resist these pressures."

Indeed, Volvo's rejection of the deal comes at a time when Sweden is engaged in a divisive debate about whether to join the European Community. Mr. Gyllenhammar said Volvo's managers had "turned their backs on Europe."

It is unclear what strategy Volvo will pursue now, or what the implications might be for the nonautomotive portions of Volvo's business, including food and pharmaceuticals divisions acquired

over the years by Mr. Gyllenhammar. It was also unclear what effect, if any, the collapse of the plan would have on the French government's plan to privatize Renault, which is state-owned, next year.

Under the proposed deal, agreed to by the companies in September, Volvo would have merged its automotive operations with those of Renault, creating the world's sixth-largest car and truck maker. Volvo would have directly or indirectly held a 35 percent stake in the combined companies.

for this system to be complemented by one of "capitalization," in which workers build up savings to pay for their own retirement, on the grounds that the existing system would eventually collapse as fewer workers pay in to support a larger population of older people.

Creating pension funds, which often favor equities as a long-term investment, could also fuel interest in the stock market just as the government needs buyers for the state-owned companies it aims to privatize.

Michelin to Freeze All Employees' Pay
Michelin, the world's leading tire maker, said it would freeze the salaries of all its employees next year, Bloomberg Business News reported.

"The present economic situation in French manufacturing will not permit a salary increase," a company statement said.

Economists and business leaders have long asked

the results, which have been compiled on a pro forma basis to reflect the fact that Vendôme did not trade as a single entity prior to 25th October, 1993, have been adjusted in order to harmonize the accounting policies of the group's subsidiaries.

Copies of the interim report can be obtained from: Vendôme Luxury Group PLC, 50 Jermyn Street London SW1Y 6DL

Vendôme Luxury Group SA 24-26 Avenue de la Liberté L-1930 Luxembourg

Results for the six months ended 30 September 1993

Vendôme Luxury Group ("Vendôme"), which was formed by means of the reconstruction of the luxury goods and tobacco businesses of Compagnie Financière Richemont AG, Rotmans International p.l.c. and Dunhill Holdings PLC, comprises the luxury goods businesses formerly controlled by those three groups. Vendôme, whose units have been quoted on the London Stock Exchange since the reconstruction became effective on 25th October, 1993, controls the Cartier, Alfred Dunhill, Montblanc Meister, Baume & Mercier, Karl Lagerfeld, Chloé, Salika and Hackler luxury groups.

The Boards of Directors of Vendôme announce the following unaudited pro forma results for the six months ended 30th September, 1993.

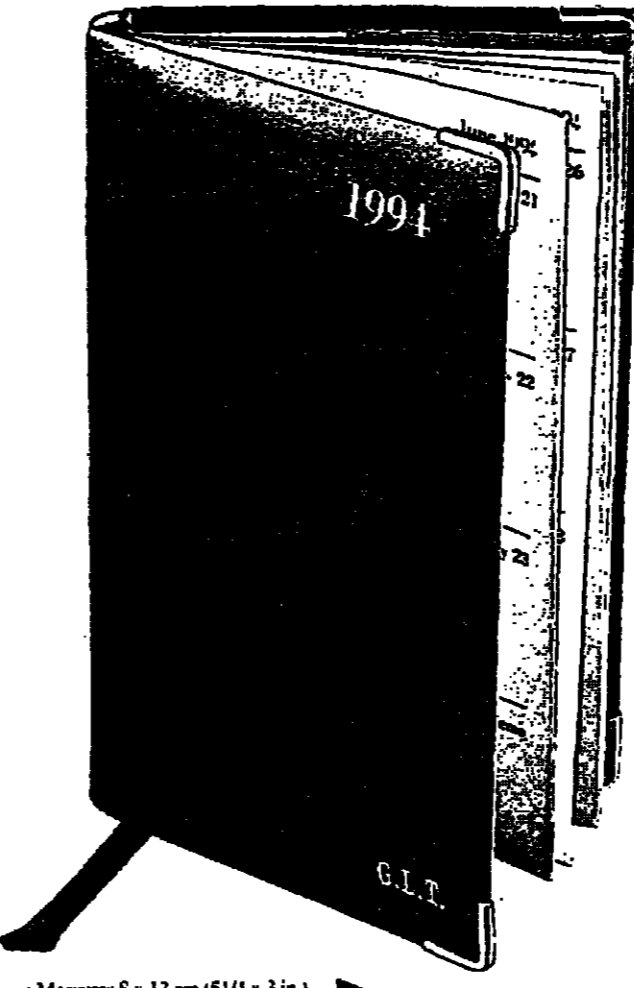
Financial Highlights in Swiss Francs

	1993	1992	% Change
Turnover	1,169.4 m	1,168.3 m	+ 0.1 %
Operating profit	201.0 m	186.9 m	+ 7.5 %
Profit before Taxation	232.8 m	213.9 m	+ 8.8 %
Profit attributable to Unitholders	185.5 m	155.6 m	+ 19.2 %
Earnings per Unit	0.266	0.223	+ 19.2 %

Financial Highlights in £ Sterling at average rates

	1993	1992	% Change
Turnover	524.4 m	454.6 m	+ 15.4 %
Operating profit	90.1 m	72.7 m	+ 23.9 %
Profit before Taxation	104.4 m	83.2 m	+ 25.5 %
Profit attributable to Unitholders	83.2m	60.5 m	+ 37.5 %
Earnings per Unit	0.119	0.087	+ 37.5 %

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SPORTS

Chinese Break 3 World Marks At Swim Meet

PALMA DE MALLORCA, Spain — China's women swimmers, who emerged as a power in last year's Olympics, set three world records and won all four gold medals Thursday on the opening day of the Short Course World Swimming Championships.

The U.S. men's 400-meter medley relay team set a world record of 3 minutes, 32.57 seconds.

FINA, the world governing body of swimming, has fully sanctioned short-course records only since 1991, and many are ripe for breaking.

Guobang Dai of China swam the women's 400-meter individual medley in 4:29.00, topping the mark of 4:31.36 set in 1987 by Nozumi Lung of Romania.

Then Jinyi Le was timed in 53.01 in the 100-meter freestyle, erasing the record of 53.33 set in 1992 by Franziska van Almsick, Germany's 15-year-old star.

China's 800-meter freestyle relay team broke the third record, with a time of 7:52.45. Australia, in second in 7:56.52, also topped the mark of 7:58.74 set by a U.S. team in 1981.

The other gold went to Limin Lui, with a time of 2:08.51 in the 200-meter butterfly.

The U.S. foursome of Tripp Schwentk, Seth VanNorden, Mark Henderson and Jon Olsen broke the record of 3:34.86 set in 1992 by a Canadian 400-meter medley relay team.

In the day's three other men's finals, Finland's Antti Kasvio won the 200-meter freestyle in 1:45.21; Milos Milosevic of Croatia won the 100-meter butterfly in 52.79; and Canada's Curtis Myden took the 400-meter individual medley in 4:10.41.

In Manila, Chinese athletes set three meet records while winning eight of 11 events on the rain-drenched third day of competition at Asian Track and Field Championships.

In the day's biggest surprise, world record holder Andrei Abduvaliev of Tajikistan, who was heavily favored in the hammer throw, did not show up for the finals because of a recurring back injury.

Only South Korea, Taiwan and Qatar provided a Chinese sweep of the gold medals.

Lee Jin Taek of South Korea won the high jump, Tatal Mansurov of Qatar won the 100-meter dash and Chhadnam Shma of Taiwan won the women's heptathlon — and in each case, China took the silver.

UEFA, for TV, Cuts Champions' League to Elite 24

'94 to See Big-Market Teams, Playing in Far More Matches

GENEVA — UEFA, soccer's governing body on the Continent, bowed Thursday to the demands of television and created an elite European Cup reduced to 24 teams.

The remodeled tournament, to start next season, will lead to a vast increase in the number of matches, a corresponding rise in television revenue and a guarantee that top clubs will take part in the Champions' League.

But 24 national champions from UEFA's 48 members, or exactly half, will have to make do with a berth in the UEFA Cup, which grows from 64 to 100 teams.

UEFA's president, Lennart Johansson, said the changes were inevitable following an increase in members after the break-up of eastern Europe.

"In such a situation you have to look at your competitors and see how you can form them from a financial and sporting point of view," he said.

"The competitions must reflect the standard of football in the respective countries."

UEFA's solution is something of a halfway house toward a European super league, which many of the continent's richest clubs would love to see come about.

Eight teams — the defending champions and the seven other clubs with the best European records over the previous five years — will get an automatic bye into the Champions' League, which will now contain 16 teams in four groups of four.

Sixteen other champions will play a preliminary round in August to decide which eight also go into the Champions' League.

The group matches of the Champions' League will take place between September and December, with the top two in each group going on to single-elimination quarterfinals the following March.

This means teams will have to play as many as 13 matches to win the European Cup, compared with the nine needed in the days before the Champions' League was invented.

The Cup Winners' Cup remains unchanged, though with 48 potential entrants, after the acceptance Thursday of provisional membership for Moldova and Azerbaijan, a large preliminary round will be needed.

The UEFA Cup will also have a huge preliminary round, involving 72 teams. The 28 with the best records will get a bye into the first round.

Many smaller nations will find their European entries cut from three to two. Their champions will go into the UEFA Cup, in which they will have no other representative, and their cup holders into the Cup Winners' Cup.

UEFA admitted that the changes were largely brought about by television demands.

A UEFA statement said 90 percent of television revenue came from just five countries — Germany, Spain, France, Italy and England — and companies from these countries were far from pleased when their teams were eliminated from the competitions too early.

English teams, for example, have failed to reach the Champions' League in all three seasons of its existence.

Had the new format been in place this season, Manchester United would have gone directly into the Champions' League and not been eliminated by Galatasaray of Turkey.

In all the competitions, teams will be seeded according to their results over the previous five years.

Teams that have not played in European competition in five years will be given the average rating for their country to avoid clubs from strong soccer nations being classified among the weak sections.



Faldo and Price Are the 2 Hot Shots in Sun City's Chase for \$1 Million

Nick Faldo, taking a water break on the course in Sun City, South Africa, and David Price, Mark McNulty and Corey Pavin, Frost being assessed a two-stroke penalty after he moved the ball fractionally while lining up a short putt for par on the 10th green. Fulton Allen and Bernhard Langer were at 72, with Mark O'Meara at 74, Payne Stewart at 75 and Lee Janzen, Ian Woosnam and Ernie Els bringing up the rear at 76. The 13-year-old Million Dollar Challenge offers professional golf's richest first-place prize.

David Frost, Mark McNulty and Corey Pavin, Frost being assessed a two-stroke penalty after he moved the ball fractionally while lining up a short putt for par on the 10th green. Fulton Allen and Bernhard Langer were at 72, with Mark O'Meara at 74, Payne Stewart at 75 and Lee Janzen, Ian Woosnam and Ernie Els bringing up the rear at 76. The 13-year-old Million Dollar Challenge offers professional golf's richest first-place prize.

SIDELINES

Autopsy on Marable Inconclusive

PHILADELPHIA (AP) — Joseph Marable, the 17-year-old cousin of Hank Gathers who collapsed on a high school basketball court, did not die from illegal drugs or trauma, the City Health Department said without elaboration.

According to a source in the Philadelphia Medical Examiner's Office, Marable's autopsy did not reveal an exact cause of death. Initial examination of the heart did not show "gross evidence of a heart attack or heart disease," the source said.

The source added that further tests, including examination of tissue samples and blood tests, would be needed to determine the reason Marable died.

Orioles Lose Pagliarulo to Japan

TOKYO (AP) — Third baseman Mike Pagliarulo, made a free agent by the Baltimore Orioles, has signed a one-year, \$1.5 million contract with the Seibu Lions, the runner-up in this year's Japan Series, the Kyodo News Service reported Thursday.

Starting next season, Japan's pro teams will be allowed to have three foreign players, an increase of one in the previous limit.

For the Record

Lesny Watkins was named captain of the U.S. team for the Ryder Cup golf tournament in 1995.

Quotable

Announcer Tim McCarver, on his former baseball associates: "The best way to avoid ballplayers is to go to a good restaurant."

NHL: Contract Ratified

New York Times Service NEW YORK — National Hockey League referees and linemen were returning to work Thursday night after a 17-day absence, having ratified a four-year contract with the league, whose Board of Governors also approved the pact.

Don Meahan, the agent representing the union, said the contract was ratified overwhelmingly by the members. He said the tradeoff that clinched the deal was the willingness of the officials to sign for four

NFL: Teams on the Move?

BALTIMORE — The head of this city's failed bid for an NFL expansion team said officials from two existing teams had approached him about moving since the league had added a team in Jacksonville, Florida.

Herbert Bergard, chairman of the Maryland Stadium Authority, declined to name the teams but said they were among those already reported to be unhappy with their home towns.

INTERNATIONAL CLASSIFIED

Today's HOLIDAYS & TRAVEL SECTION. Appears on Page 7. Includes sections for PERSONALS, ANNOUNCEMENTS, MOVING, and BUSINESS TRAVEL.

REAL ESTATE MARKETPLACE. Appears on Page 15. Includes sections for FINANCIAL INVESTMENTS, BUSINESS OPPORTUNITIES, and IRISH NON-RESIDENT COMPANIES.

EMPLOYMENT EXECUTIVES AVAILABLE. Includes listings for various professional services and job opportunities.

SCOREBOARD

BASKETBALL NBA Standings. Table showing Eastern Conference (Atlantic, Central, Pacific) and Western Conference (Midwest, Southwest) standings with columns for team, wins, losses, and percentage.

HOCKEY

NHL Standings. Table showing Eastern Conference (Atlantic, Midwest, Northeast) and Western Conference (Central, Pacific) standings with columns for team, wins, losses, and percentage.

SOCCER

ENGLISH LEAGUE CUP. Table showing standings for various teams in the English League Cup.

CRICKET

FIRST TEST. Table showing cricket match results between Pakistan and Zimbabwe.

ESCORTS & GUIDES

BARONESS DE SILVA, BELGRAVIA ORCHIDS, MERCEDES. Listings for various escort services and agencies.

OBSERVER

Clinton's Credit Rating

By Russell Baker

NEW YORK — Can President Clinton be serious when he complains to Rolling Stone magazine about never getting "one damn bit of credit" from the "knee-jerk liberal press"?

Surely he is being sly, hoping to fish a little applause from a quarter reluctant to applaud anyone, least of all a middle-of-the-road president. As a Rhodes scholar, he knows enough history and political philosophy to understand the plight of the knee-jerk liberal press or otherwise.

We are speaking of a person hardened to ridicule. Even his political label — "knee-jerk liberal" — invites the thought to think him morose, the kind of numskull whose ideas are produced by rubber hammers tapping his knee.

A person who endures incessant ridicule on behalf of his politics is likely to be ungenerous with his praise when granted some small boon by those who treat him as a fool.

I speak from experience here, for I was once a knee-jerk liberal myself, though I didn't realize it until Lyndon Johnson entered my life.

This was not the Presidential-Columbus Johnson, but the Senatorial Texas Johnson, who was the very soul of safe and sound political responsibility.

William S. White, then the New York Times's influential Senate correspondent, defined Johnson's politics as "centrist" and accurately described Congress as a place ruled by "powerful centrist forces."

The lobbyist, of course, also shared in the rule, but their interests didn't differ much from those of the "centrist forces."

"Moderation" was the great political philosophy of the day, despised only by a handful on the Republican right who listened to Barry Goldwater and by assorted Democratic liberals to whom Johnson attached various belittling labels. They were the "knee-jerks," or "the bleeding hearts," or "the red hots."

Goldwater and his handful on the right were similarly isolated by labels like "right-wingers" with its ominous European sound, or dismissal in the plain American stand-

up-comic style as "right-wing nuts." President Eisenhower, the Republican Landslide Hero, had declared "Moderation!" the banner that would lead them all to victory. Even a right-winger would have to be a nut to challenge Eisenhower, wouldn't he?

So we had the rule of Eisenhower's "moderation" and Johnson's "centrism." In tandem, they amounted to a tacit coalition of Southern racism, Wall Street economics, big-labor conservatism and Cold War enthusiasm.

On the fringes dwelt the famous "extremists on both sides," the "knee-jerk" and "bleeding-heart" liberals, "red hots" and "right-wingers," often of the "nut" species. Studying politics under Johnson, I saw how unreasonable, how impractical, in fact how nutty I had been to support so many ideas that were not moderate, not centrist. The world had to be as it was; those who wanted to make it different were — well — funny, foolish, not quite with it.

We are reminded by Richard Reeves's fine new book, "President Kennedy: Portrait of Power," that even with Eisenhower retired and Johnson buried in the vice presidency, the old order still ruled so completely that Kennedy regarded the civil rights movement as a nuisance created by unreasonable people to distract him from truly important Cold War problems.

Martin Luther King and the rest of that vast black movement of the dispossessed who were being so inaccurately of Kennedy's problems were the ultimate in "knee-jerk" and "bleeding-heart liberalism."

Pursuing such unreasonable, impractical goals against overwhelming hostility tends to shrivel a person's generosity of spirit toward those who want him to be a good fellow and not make life so hard for a well-meaning president, but just give him a bit of praise.

Goldwater's right-wingers also declined to praise the Republican "moderation" establishment, being too occupied — how funny! — talking over the party with their nutty ideas.

Simply put: Powerlessness is not likely to be cured by politeness and good fellowship, Mr. President.

New York Times Service

A Conversation With the Picasso of Mime

By Alan Riding

PARIS — "I think I'm the Picasso of mime," Marcel Marceau said between rehearsals for his new show, at the Espace Pierre Cardin off the Champs-Élysées.

"At 80, Picasso was young. If I keep my fitness, I have at least another 10 years. It's an encouragement for all men in their 50s, 60s and 70s. I don't think of age. I think of life-force and creation."

At 70, Marceau still has much to do. For the first time since his original mime company disbanded in 1964, a subsidy from France's Culture Ministry has enabled him to form a new troupe, this time made up of graduates of his own mime school. These young artists are his legacy. And they must succeed if his form of mime is to survive. Through them, his name can live on.

But he also wants to reach out to children, to draw them into theaters, to help educate them in "the universality of culture," to introduce the magic of silence and imagination to a generation shaped by the noise and action of television. "I don't want our youth to become anti-romantic," he said. "We have to make room for the soul."

Marceau was not wearing the white makeup that normally disguises the wrinkles of a worn face. For an interview, he sat slumped in the empty red orchestra seats of the theater, a bulky sheepskin jacket hiding his slim, wiry body. Yet, his eyes, his face, his hands never stopped moving, as if words alone could not speak for the master of wordless theater. Even so, the words kept pouring out. "The art of mime is an art of metamorphosis," he explained. "It's not stronger than words. You cannot say in mime what you can say better in words. You have to make a choice. Mime is an art beyond words. It is the art of the essential. And you cannot lie. You have to show the truth. The public has to understand immediately what you are doing. And what situation you are in. That's why it's so hard to describe mime. You have to see it."

Marceau tells most of his stories through Bip, the quixotic, white-faced character in a stovepipe hat with a red flower that he created in 1947. Today, Bip has a repertoire of 44 sketches, each of them a mimed minutet to the foibles of human nature.

In "The Mask Maker," for example, he tries on different invisible masks until one with a manic grin becomes stuck. Finally, he removes it to reveal a scarred and deflated face. His aim is simply to make his audience see, feel and hear the invisible. And the passage of time is no obstacle. In one of his most famous sketches, he mimes the four stages of man — youth, maturity, old age and death — in just four minutes. "The Creation" takes only a little longer — from the first evidence of life on earth, when fish and birds come alive through his hands, to the moment when Adam and Eve skulked sheepishly out of the Garden of Eden many millions of years later.

Offstage, Marceau seemed no less anxious to get his message across. Speaking in rushed English peppered with French, he ticked off his record — 15,000 performances in more than 100 countries before presidents, princes and paupers — as if his fame were still in doubt. Sentences darted in all directions, one moment into the past, the next into the future, yet always intent on convincing.

His never-ending obsession is to demonstrate the jealous world of culture that mime is an art unto itself, that it has earned its place in the theater as much as plays or dance. "Mime needs perfection," he said. "When you're in a play, 50 percent is the genius of the actor. 50 percent is



Marcel Marceau as Bip, his celebrated mime creation with a repertoire of 44 sketches.

the genius of the author. When a mime is not perfect, you see nothing."

"There is also a big difference between dance and mime," he went on. "Dance is in the air, promettes, very difficult. Mime is on the floor, like Spanish dancing perhaps, and very often in slow motion." He raised a hand and moved his palm across an invisible wall. "It's more like yoga, breathing deeply, feeling depth, feeling force. Sometimes it's like martial arts. Visual acting."

He is a great believer in technique, and students at the Marcel Marceau International Mime School of Paris study classical and modern dance, juggling, fencing, acrobatics and jazz as well as mime. But in auditioning applicants, he looks beyond physique. "They need a body with a sense of movement," he said. "They have to be fit like ballet dancers. But they have to have an inner fire. They have to have an actor's soul."

His primary instrument is, of course, his body, which twists, turns and bends to the commands of his eyes and face in a constant denial of his age. He stays in shape by teaching twice a week, performing 200 nights a year and smoking tobacco, liquor and red meat. With age, he believes his style has also matured. "When I started, I hunted butterflies," he noted. "Later, I began to remember the war and I began to dig deeper, into misery, into solitude, into the fight of human souls against robots."

He does not dwell on World War II, but it left its mark on him. His Jewish father, a butcher from Strasbourg, was deported to Germany and died in a concentration camp in 1944. By then, the young Marceau had joined the Resistance and, after the liberation of France, he served in the First French Army on the Rhine.

After demobilization, he joined Charles Dullin's theater school intent on a career as a speaking actor. It was there, however, that he met Eleanore Decroux, the best-known mime of his day, who proclaimed Marceau to be "a born mime." And with that, so to speak, he fell silent.

Marceau learned the basic "grammar" of mime from Decroux, but he borrowed the white face of the 19th-century French character Pierrot, whom Jean-Louis Barrault had just re-created in Marcel Carné's film classic, "Les Enfants du Paradis." Pierrot in turn had his roots in the mime tradition of Italy's commedia dell'arte three centuries earlier.

Yet, Bip is also very much Marceau's creation, because he seems to reflect the artist's own solitude. In the rare moments that his life is not consumed by mime, for example, Marceau's principal hobby is painting, itself a silent form of reflection.

And while he has four grown children from two previous marriages, when he is not traveling he lives alone at his country home at Berchères, west of Paris. Indeed, to have dedicated almost 30 years to a one-man show is itself a measure of his self-sufficiency.

He has nonetheless always been able to count on the loyalty of his fans, especially in the United States. He never forgets, for instance, that American audiences embraced him before France decided to acclaim him. "When I went back to Paris after being a hit on Broadway in 1955, everything changed for me," he recalled.

And he has returned almost annually to the United States ever since. But he was also inspired by the talents of Charles Chaplin, Buster Keaton and the Marx Brothers and, later, of Red Skelton, Danny Kaye and Jerry Lewis. Today, Marceau likes to talk of the influences that mime has given and received. "Decroux was influenced by Rodin and by Isadora Duncan. I come from Pierrot, Decroux and Chaplin. Anthony Hopkins said in an interview that he was influenced by Laurence Olivier and Marcel Marceau. We have been influenced by modern dance, character dance. I see my influence in opera and contemporary theater. Chaplin opened the doors for us in movies. I opened the doors for mimes. There's nothing wrong with having influences. You should recognize what comes before you."

PEOPLE

The Most Admired: Who's Up, Who's Down

Barbara Bush not only has been bumped as first lady, she has been knocked from the top of a poll of most-admired women. She fell behind Mother Teresa in Good Housekeeping's annual list of most admired men and women, but still finished ahead of her White House replacement, Hillary Rodham Clinton. On the men's side, Bill Gates finished first for the second straight year. President Bill Clinton finished second — up from No. 10 last year — and George Bush was right behind him.

Under palace arrest? The fallen hotel queen Lenora Helmsley is back home to finish out her sentence for tax evasion. Helmsley returned to her digs at the Park Lane Hotel in New York after a month at a halfway house, the \$34-a-night Le Marquis Hotel. But Helmsley still has a 9 P.M. curfew until Jan. 26, when she will be free.

Prince Edward has gone to work, the first child of a British monarch to do so, according to The Daily Telegraph of London. The 29-year-old son of Queen Elizabeth II is joint managing director of Arden Productions, a television production company he founded with backing from the Sultan of Brunei.

Like father, like son. Zohra Mehta, in a tribute to his father, Mehta, will conduct the American Youth Symphony, which his father founded in Los Angeles. The elder Mehta, 85, usually conducts a concert each month but must skip Sunday's performance, on doctor's orders, as he recovers from laryngitis.

Delia Winger will have to wait to make her debut with the San Francisco Symphony. The actress was to narrate "From the Diary of Anne Frank" this week under the baton of its composer and the symphony's music director, Michael Tilson Thomas, but the musicians will not perform because their three-year contract expired last weekend.

INTERNATIONAL CLASSIFIED
Appears on Pages 7, 15 & 17

WEATHER

Forecast for Saturday through Monday, as provided by Accu-Weather.

Table with weather forecasts for various regions including Europe, Asia, Africa, North America, Middle East, Latin America, and Oceania. Columns include High, Low, Wind, and Clouds.

CROSSWORD

- ACROSS
1 1975 Wimbledon champ
5 — nova
10 High-ranking NOO
14 Oscar winner for "Moonstruck"
15 Sit up for
16 Ron Howard TV role
17 Living Berlin song
20 Woolgatherer?

- DOWN
41 Writer Cecil of "The Straight Dope"
42 — me tangere
43 O followers
44 Strength in Variety talk
45 Favor
47 Confused
48 Secretaries may file these
49 Alpha's opposite
52 Unified
54 Profit by
57 Andrew Lloyd Webber song, with "The"
60 Astound
61 Chisholm, e.g.
62 Terse
63 1/17/94 honoree
64 First-year law school class
66 "Rule, Britannia" composer

Crossword puzzle grid with clues and a solution for puzzle of Dec. 2.

A WEEK IN THE LIFE OF THE TRIB. Plus daily. Monday: MONDAY SPORTS, Tuesday: STYLE, Wednesday: STAGE ENTERTAINMENT, Thursday: HEALTH/SCIENCE, Friday: LEISURE, Saturday-Sunday: ART/ THE MONEY REPORT. POLITICS AND ECONOMICS, BUSINESS AND FINANCE, OPINION AND COMMENTARY, THE ARTS AND SCIENCE, FOOD AND FASHION, FILM AND THEATER, BOOKS AND TRAVEL, BRIDGE AND CHESS, THE NEW YORK TIMES CROSSWORD, A LIVELY ARRAY OF COMICS, PULITZER PRIZE WINNING FEATURE COLUMNISTS. Don't miss out. Make sure you get your copy of the IHT every day. Herald INTERNATIONAL Tribune.